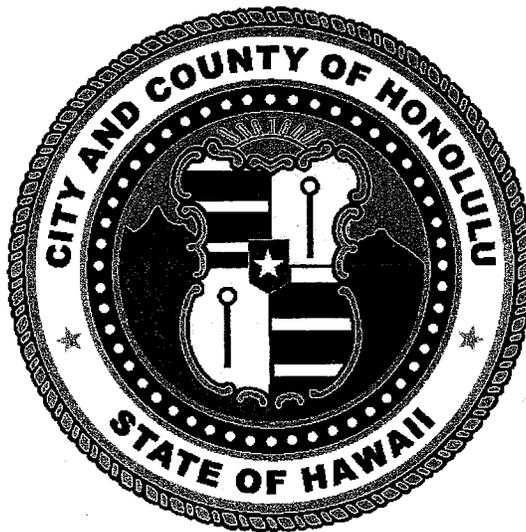


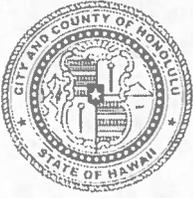


ISSUE PROFILE

Status of the City's Finances



March 2015



OFFICE OF COUNCIL SERVICES

CITY AND COUNTY OF HONOLULU
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CHARMAINE T. DORAN
DIRECTOR

March 5, 2015

Honorable Ernest Y. Martin, Chair
and Councilmembers
Honolulu City Council
530 S. King Street, Room 202
Honolulu, HI 96813

Dear Council Chair Martin and Councilmembers,

Re: Issue Profile Status of the City's Finances - 2015

We are pleased to transmit to the Honolulu City Council copies of the *Issue Profile Status of the City's Finances* for 2015. Each year, the Office of Council Services (OCS) prepares this brief to aid Councilmembers during the City's annual budget cycle. Using multiple financial reports and data sources, the report presents the following information: (1) a historical and comparative overview of City financial and budgetary trends; (2) details about the status of the operating budget for the prior fiscal year; and (3) status of capital projects for the most recent fiscal year for which appropriations may have lapsed.

The 2015 profile is the 15th report prepared by OCS for the Council. We hope that you find the information provided useful during the FY 2016 budget cycle. If you have any questions, please do not hesitate to contact our office.

Sincerely,

Handwritten signature of Gavin Kennedy in black ink.

Gavin Kennedy
Legislative Analyst

Handwritten signature of Denisse Gee in black ink.

Denisse Gee
Legislative Analyst

Handwritten signature of Charmaine T. Doran in black ink.

Charmaine T. Doran
Director

GK:DG:CTD:tg

Attachments

cc: City Clerk

Executive Summary

We are pleased to transmit to the Honolulu City Council the **Issue Profile: Status of the City's Finances** for 2015. The report presents the following: (1) a historical and comparative overview of City financial and budgetary trends; (2) details about the status of the operating budget for the prior fiscal year; and (3) status of capital projects for the most recently ended appropriation period.

Highlights:

- Overtime costs have increased in recent years and the trend is mostly dictated by a few departments, which make up the bulk of overtime spending.
- The Office of Special Projects, in the Department of Community Services, has been able to encumber GIA funds at a high rate, but appears to lag in expenditures.
- The continued growth in the cost of employee benefits and debt service may pose a risk of future structural deficits.
- The City's assets continue a normal growth trend.
- The City's mounting debt service remains just under its waived debt policy limit.
- Assessment values and tax bills continue their recovery.
- In FY 2014, the general fund carryover from the prior year was again significant, and property tax collections also increased.
- Also in FY 2014, the largest operating budget appropriation lapse was over \$81 million lapsing from the \$484 million appropriation for the payment of debt service, mostly as a result of the cancellation of the HAHPI sale.
- In percentage terms, the largest operating budget lapse was the 100 percent lapse of the \$16.1 million appropriation for the provision for energy costs.
- The budget function that experienced the highest rate of capital budget appropriation lapses, excluding federal funds, was Human Services where 99.9 percent lapsed.
- Among significant fund sources in the capital budget, the Solid Waste Improvement Bond Fund had the largest lapse at 31.1 percent.

The data for used by this report includes information from the various City and State sources, including City budget bills and details, Budget and Fiscal Services Director's reports, the Comprehensive Annual Financial Reports, the Hawaii State Data Book, and reports from the City and County of Honolulu Enterprise Resource Planning System.

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I. Introduction

We are pleased to transmit to the Honolulu City Council the **Issue Profile: Status of the City's Finances** for 2015. Each year, the Office of Council Services (OCS) prepares this brief to aid Councilmembers during the city's annual budget cycle. The 2015 report presents the following: (1) a historical and comparative overview of city financial and budgetary trends; (2) details about the status of the operating budget for the prior fiscal year; and (3) status of capital projects for the most recently ended appropriation period.

The 2015 report is the fifteenth annual fiscal report prepared by OCS for the Council. We hope that you find the information provided useful during the FY 2016 budget cycle.

The data sources for each chart in this report are set forth in the Appendix (Section V).

II. Budget Trends

This section provides a brief summary of the City's budget and financial status, as reflected in certain key statistics, and compares the city with other jurisdictions. This is intended to provide a historical and comparative perspective that may be useful for evaluating the specifics about the next fiscal year's city budget. The special focus section below highlights budget and financial issues that are more topical.

A. Special Focus Section 1: Overtime Expenditures

- Overtime costs have increased since FY 2010 and the trend is mostly dictated by a few departments, which make up the bulk of overtime spending.

Overtime costs have increased by \$1.6 million over 5 years, or about 3.4%, but dropped from FY 2013 to FY 2014

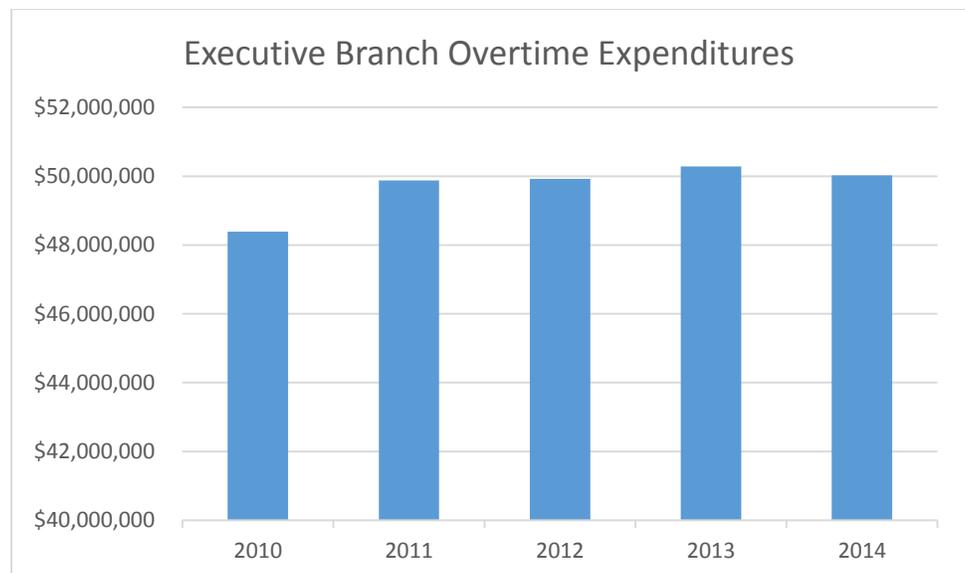


Figure A-1. Overtime costs include holiday and non-holiday overtime but do not include other non-regular salary costs such as special duty or vacation payouts. Overtime costs made up approximately 7.5 percent of Executive Branch salary costs in FY 2014. Over the past five fiscal years overtime costs have increased incrementally each year but remain under the rate of inflation for both the local area and the United States. From FY 2010 to 2014 overtime costs increased 3.4 percent compared to the 5.4 percent increase in all salary costs over the same time frame.

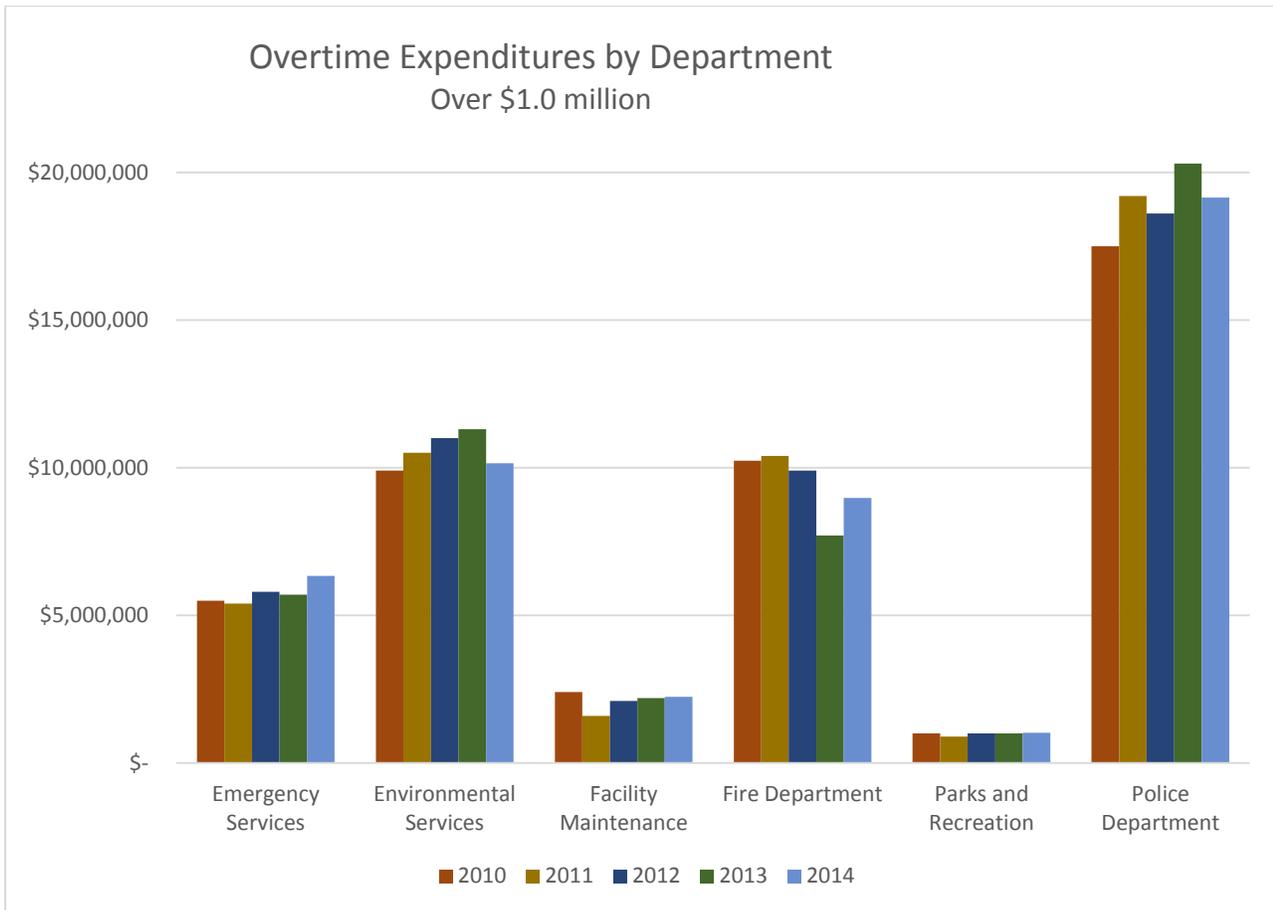


Figure A-2. Spending in the six departments with overtime costs over \$1 million makes up approximately 96 percent of all overtime spending in the executive branch. Over the five year period the Honolulu Fire Department has reduced overtime spending in contrast to the other first responder departments. The Department of Environmental Services and the Police Department appear to have reversed recent trends and reduced overtime spending in FY 2014. The Departments of Facility Maintenance and Parks and Recreation have mostly held overtime increases in check over the entire five year period. The Department of Emergency Services had the greatest percentage increase from FY 2010 to FY 2014 at 15 percent.

While most other departments also pay overtime, they make up, in aggregate, only 4 percent of overtime costs and their overtime spending does not appear to follow any clear trends. Only the Department of Emergency Management has had consistently increasing overtime costs in each of the prior four years, rising from approximately \$40,000 in FY 2010 to \$380,000 in FY 2014.

Special Focus Section 2: Grants in Aid Fund

- **The Office of Special Projects, in the Department of Community Services, has been able to encumber GIA funds at a high rate, but appears to lag in expenditures.**

The Grants in Aid Fund was created by Section 9-205 of the Revised Charter of Honolulu to be used “by the City to award grants in aid to federal income tax exempt non-profit organizations that provide services to economically and/or socially disadvantaged populations or provide services for public benefit in the areas of the arts, culture, economic development or the environment.” Each fiscal year, the Council is required by the Charter to appropriate a minimum of one-half of one percent of the estimated general fund revenues into the Grants in Aid Fund. The first year of the program was FY 2014. For each of the past two fiscal years the Council has appropriated approximately \$5.5 million to the Grants in Aid program, which is administered by the Office of Special Projects. The bulk of appropriations is awarded as grants to qualified organizations.

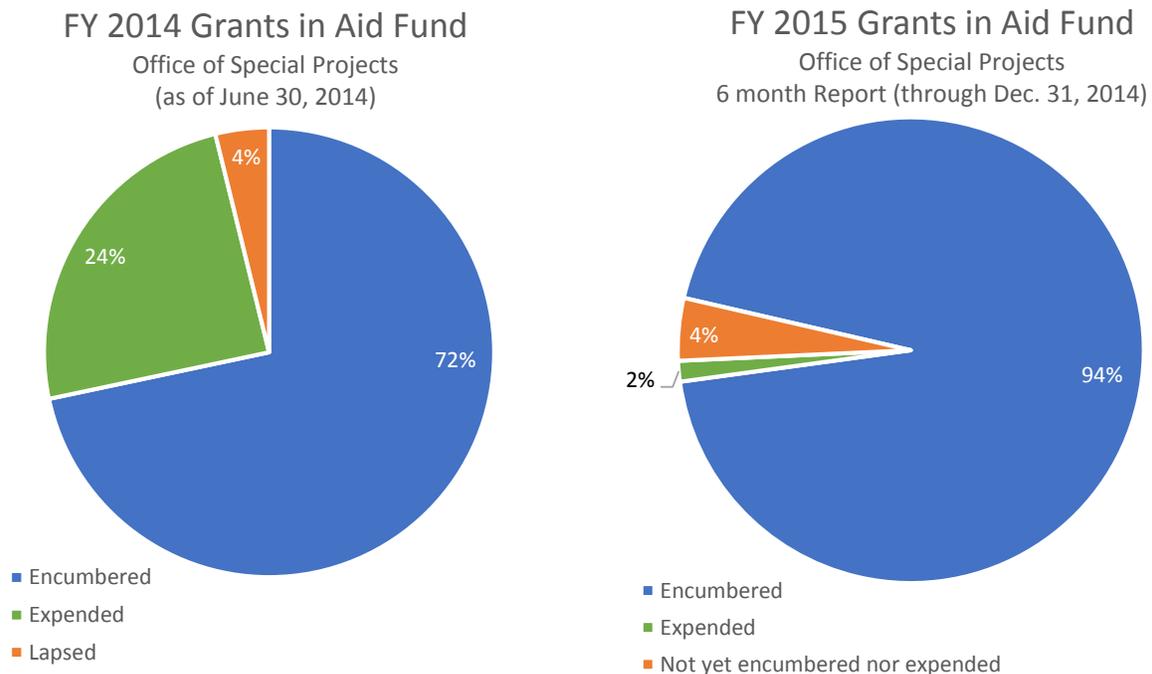


Figure A-3.¹ In FY 2014 the Office of Special Projects lapsed \$212,137, or 4 percent of the total appropriation of \$5.5 million, from the Grants in Aid Fund.² While this represents a relatively small lapse, only 24 percent of the appropriated funding had been expended by the end of the fiscal year. With nearly \$4 million encumbered but not expended, the majority of the funds intended for disbursement by the Council for the purposes of the Grants in Aid Fund in FY 2014 was not used within the fiscal year. Midway through FY 2015 the rate of expenditure appeared to be slower than

¹ Figure A-3 looks solely at the Office of Special Projects activity appropriation from the GIA fund. The Office of Special Projects administers the grants given from the fund and the vast majority of GIA funds are appropriated to this activity. In FY 2014 and FY 2015 the Council appropriated \$25,000 to City Council Administration for costs related to supporting the GIA Commission, although to date these funds have lapsed or been left unspent. In FY 2015 \$43,812 was also appropriated to the Accounting and Fiscal Services activity of the Department of Budget and Fiscal Services and as of December 31, 2014, \$18,300 has been expended.

² Lapses from the GIA Fund return to the fund and do not revert to the General Fund.

the prior year. While the Administration has been able to encumber the vast majority of the appropriation from the Grants in Aid Fund, actual expenditures were at a mere 2% of the total appropriation for the Office of Special Projects activity.

B. Size of the City Budget

- **The continued growth in the cost of employee benefits and debt service may pose a risk of future structural deficits.**

One way to measure the size and level of activity of a government entity is by examining the amount of its spending and taxation. Spending and taxation can be viewed as the most basic measures of government since the level of spending drives tax policy, debt policy, and employment policy.

City spending on operations is controlled through the operating budget. In this section, spending on operations is examined to see how the City and County of Honolulu's spending and taxation have grown over time, and how that growth compares to the growth in the incomes of City residents and to other Hawaii jurisdictions.

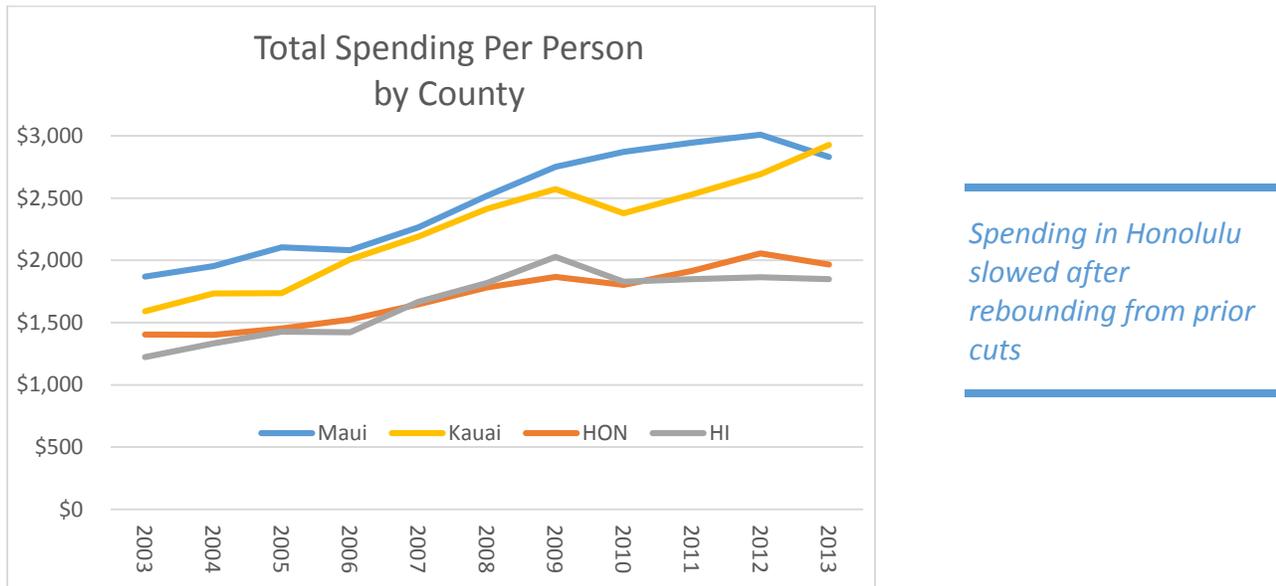
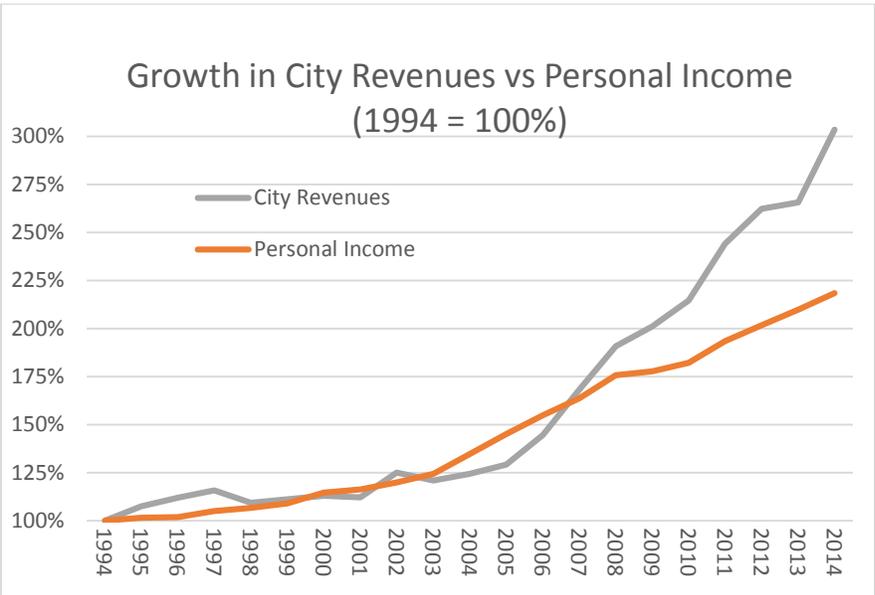


Figure B-1. In FY 2013, only Kauai edged higher on per-person spending. The spending trend of Maui and Kauai remained substantially higher at \$2,831 and \$2,927 per resident, respectively, than that of Hawaii County and Honolulu, with Kauai surpassing Maui for the first time in 10 years. Honolulu dropped down to \$1,966, closely followed by Hawaii County at \$1,849 per person, which was about the same as the prior two years.

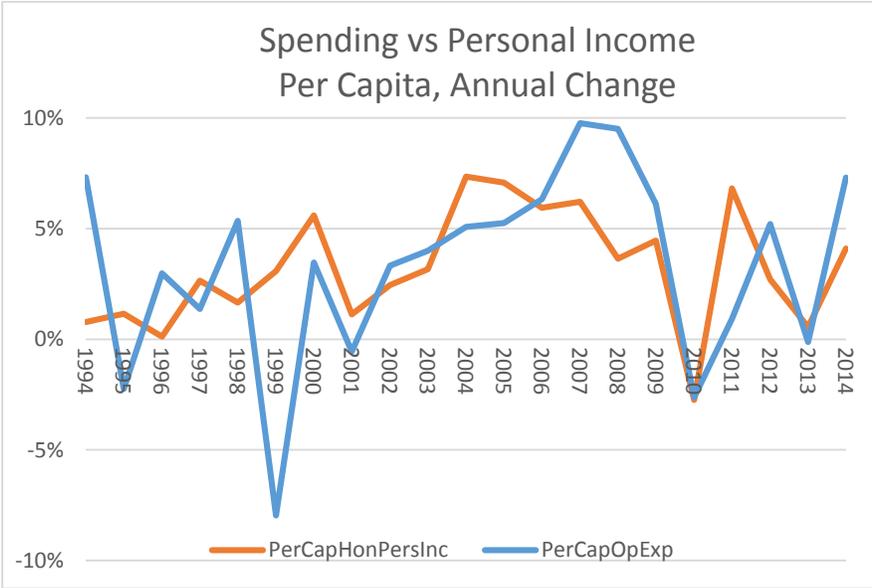


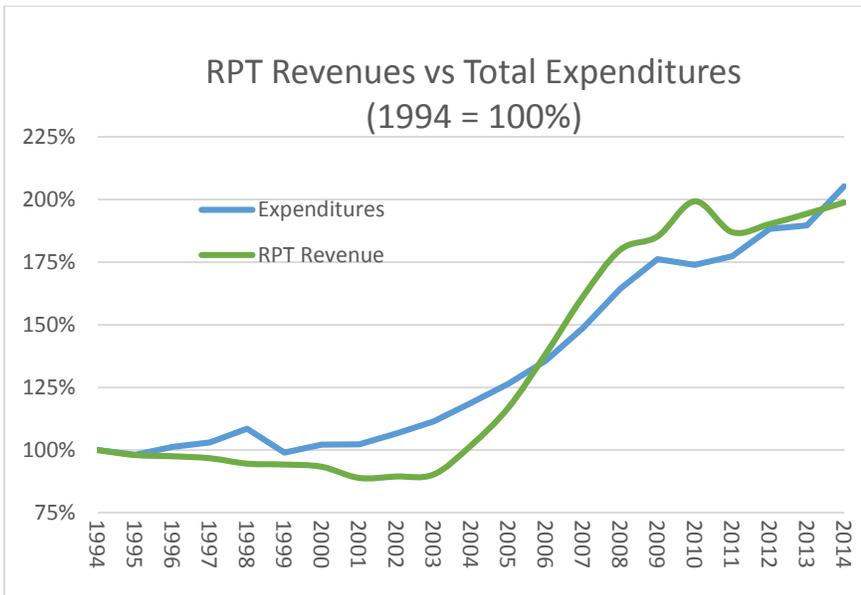
City revenues maintained their growth over a more modest personal income growth level

Figure B-2. One way to measure the cost of government is to see how its revenues (city taxes and fees excluding transfers from the state and federal governments) compare over time to the incomes of the people it serves (and taxes). Revenues continued to outpace the more modest increases in personal income in 2014.

Figure B-3. Comparing year-to-year changes in per capita operating expenditures to personal income is another way to evaluate government cost trends. Both income and spending fell in FY 2010 with the poor economy, but rebounded in FY 2011. In FY 2014, personal income continued to recover along with expenditures over the prior year.

Personal income in 2014 rose along with per capita spending



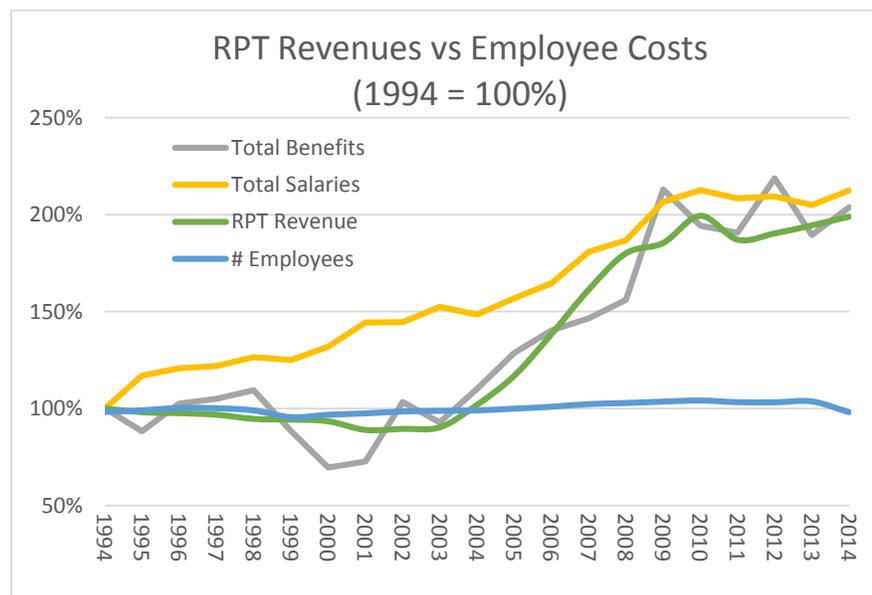


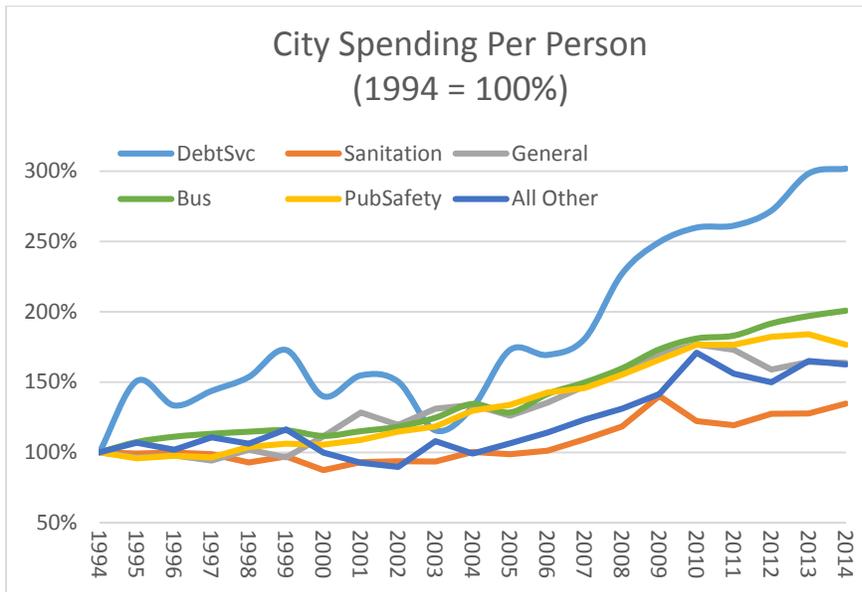
Expenditures increased while property tax collections continued at a similar rate from 2013

Figure B-4. The City's operating expenses largely reflect the cost of salaries and employee benefits (including benefits for retired employees). The City's largest single revenue source is the property tax, which accounts for over a third of operating budget resources. After long lagging spending, property tax revenues jumped beginning in 2004 and through 2010, then fell in 2011 with the weak economy. Spending stalled in 2010 but has since resumed its upward trend. Compared to 20 years ago, spending and tax revenues have both increased about 200 percent.

Figure B-5. While the number of city employees has been held in check, employee benefit costs since the mid-1990s have increased along a similar trajectory as property tax revenues. Total benefits are 204 percent of 1994 levels, compared to tax revenues at 195 percent. The growth in salary and benefit costs has been in line with property tax gains, more so in recent years.

Growth in salary costs has been in line with property tax gains



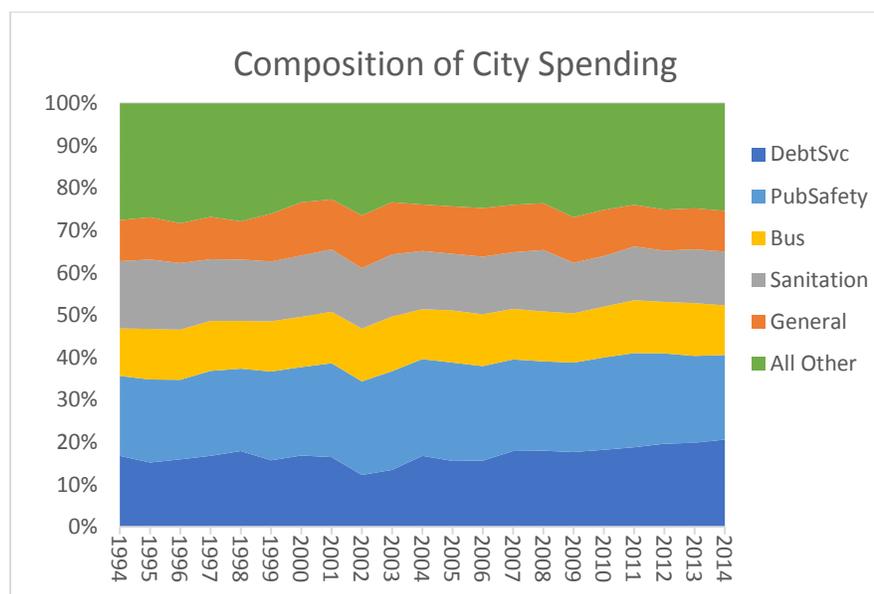


Debt service leveled off, but still outpaces other costs

Figure B-6. Over the past 10 years, debt service, as a component of city spending has been outpacing the increases of other spending components. In contrast, sanitation spending has lagged behind all other spending components. This may be reflective of a shift in major sanitation spending from cash to bonds.

Figure B-7. Over the past 20 years, most of the major components of city spending have shown substantial consistency in their share of the budget, with public safety representing the single largest spending component until FY 2014. However, consistent growth in debt service has led to that component recently surpassing public safety as the largest spending area and does not show signs of decreasing in the near future.

Debt service surpassed public safety as the largest spending area



C. Financial Position – Net Assets

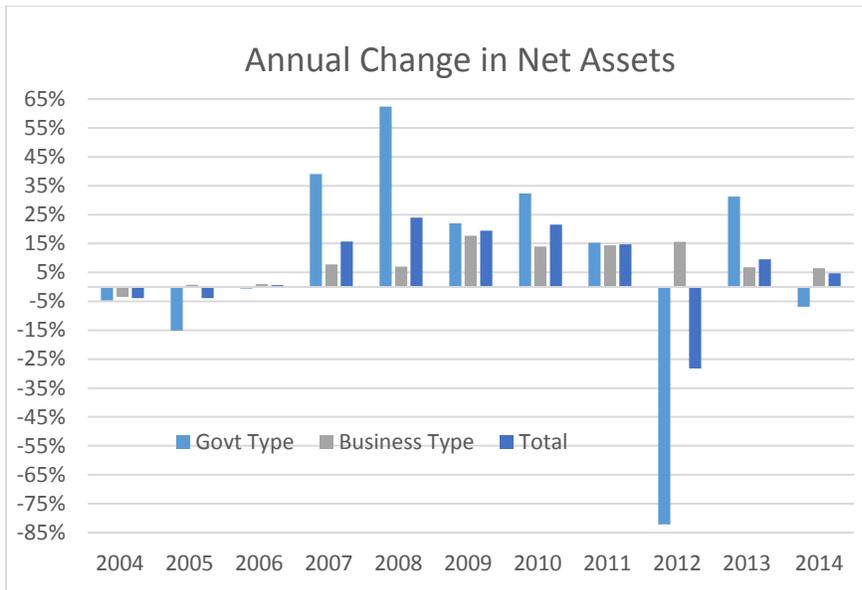
- **The City's assets continue a normal growth trend.**

In its annual accounting reports, the City's financial position is reported as a computation of "net assets". The amount of net assets is what results after subtracting what the City owes (termed "liabilities", such as outstanding bills, bonds, and claims and judgments against the City) from what it owns (termed "assets", such as cash, investments, and the value of land, buildings, and infrastructure). The size of the net asset figure can be interpreted as representing the City's ability to cover its costs and continue to pay for services in the future. Increases or decreases in net assets over time indicate whether the City's financial position is improving or deteriorating.

The City's net assets are divided into those supported primarily by taxes, termed governmental activities, versus those that are supported at least to some extent by user fees, termed business activities. The City's enterprise funds for housing and the bus, solid waste, and sewer systems are classified as the business activities of the City.³ In FY 2012, the considerable funds and assets for rail previously included in the city's financial report moved to the newly established Honolulu Authority for Rapid Transportation and from that point forward were reported separately.

Enterprise funds are used to account for certain government activities that are run like businesses and charge fees to offset operating costs. The City has four enterprise funds: one each for the bus system, the solid waste collection and disposal system (including the H-Power garbage to energy plant), housing projects, and the sewer system. The significance of an enterprise fund's net asset amount is that it shows the financial position of the activity if operations ceased at the end of the period. For example, a positive net asset amount for the year ending June 30 would indicate that as of that date, the City could repay all outstanding debts of the activity and still fully own the buildings and equipment used by the activity. In contrast, a negative net asset amount would indicate that if operations ceased as of that date, the City would owe money to others. The annual change in net assets shows whether the fund financially improved or deteriorated during the subject year.

³ The Board of Water Supply and the Honolulu Authority for Rapid Transportation are semi-autonomous agencies of the city and are not included in the financial net asset results reported here.

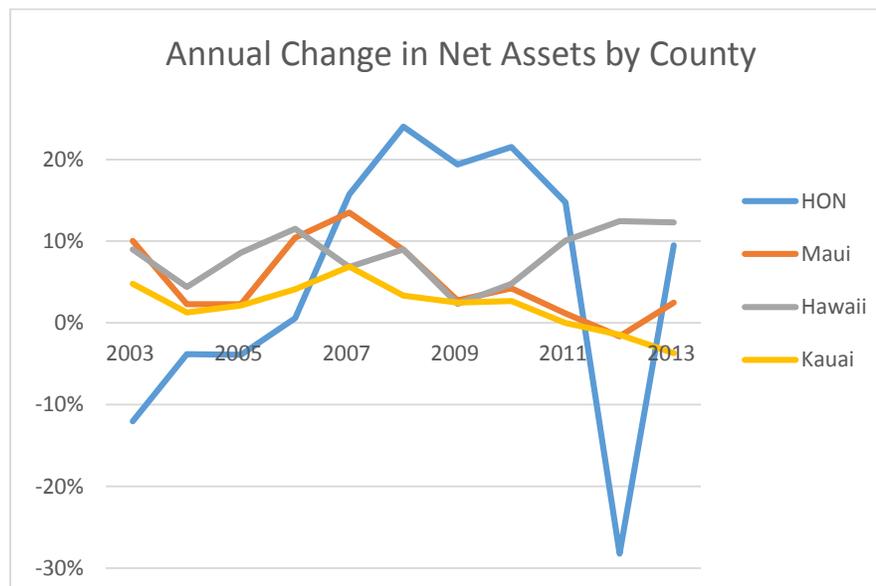


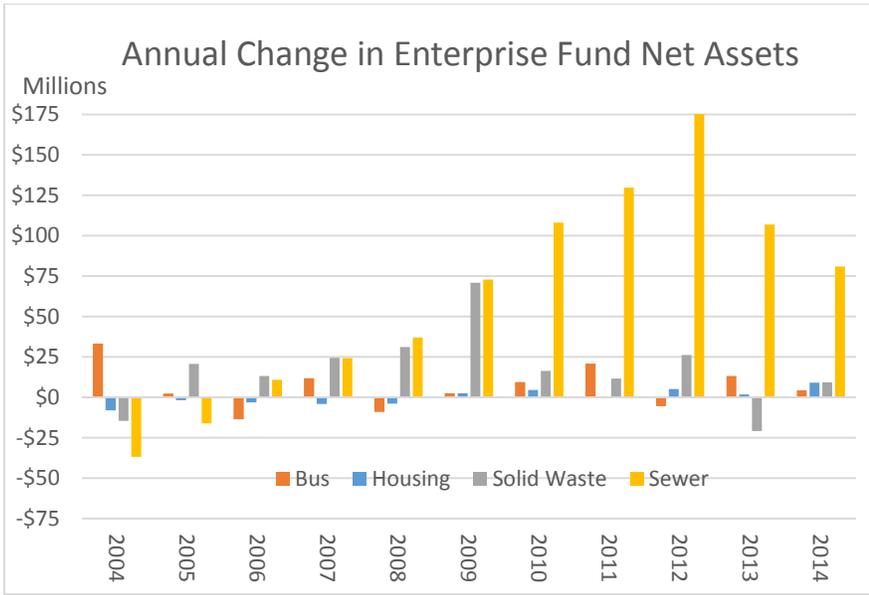
Government assets decreased while business assets increased

Figure C-1. In FY 2014, the City's total net assets grew 4.7 percent, following a continued pattern of growth from 2007, excluding the plunge in 2012 due to the transfer of the Transit Fund to the Honolulu Authority for Rapid Transportation. In 2014, growth in business assets offset a drop in government assets - a trend that should be monitored in the coming years.

Figure C-2. In FY 2013, the City's prior year drop in net assets rebounded with a 9.5 percent increase, only topped by the 12.3 percent gain of Hawaii County. Kauai was the only county to experience a year-over-year drop in net assets in the prior two fiscal years. Honolulu's volatile trend line contrasts with the much smaller asset bases and more moderate pattern of the neighbor island counties. This is unexpected; smaller asset bases are typically more subject to year-to-year variation than large bases.

The city's history of volatile net asset change continued





Increases in Sewer Fund assets continued but at a lower rate than the prior 4 years

Figure C-3. The net assets of the city’s enterprise funds all experienced gains in FY 2014, led by continued gains due to sewer fee increases according to a multi-year fee schedule. The \$81 million gain in Sewer Fund net assets in FY 2014 pales in comparison to the record \$175 million gain of FY 2012 and is the lowest annual increase since FY 2009. Changes to the bus, housing, and solid waste funds were all positive but relatively marginal.

D. Debt Service and Total Debt

- **The City's mounting debt service remains just under its waived debt policy limit.**

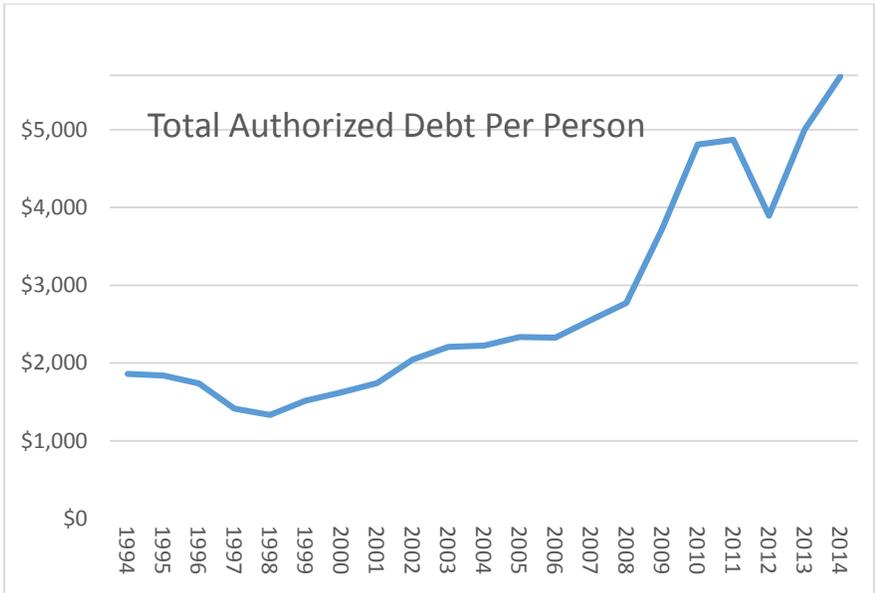
Most spending on construction and other long-lived assets in the capital budget is financed by bonds and other debt instruments. The repayment of the principal and interest on those debt instruments is called debt service.

Typically, most of the capital budget results in expenditures. The rest, usually between 10 and 20 percent, lapses, meaning certain projects or part of the appropriations therefor were not implemented because priorities changed, projects were found to be unaffordable, or appropriations were not used because actual spending requirements were less than expected. Of the amount that is expended, the money usually comes from the issuance of bonds and other debt instruments. A portion of the rest of the budget is funded by cash from federal or state grant funds, sewer fees deposited in the sewer fund, or from other special purpose cash sources.

The amount of debt that is authorized to be incurred by the City is made up of bonds already issued and bonds not yet issued. The amount of unissued bonds represents past capital budget appropriations that have not lapsed and are to be financed by bonds that have not yet been issued. It thus represents a backlog of debt to be incurred if the capital projects they fund move forward.

Relationship to construction spending. Spending on debt service as part of operations is distinct from but related to spending on construction projects. Construction spending occurs first, and is authorized in the capital budget. That expenditure is mostly financed by incurring debt in the form of bonds, notes and commercial paper. A few years after the capital budget takes effect, repayment of the principal amount of the debt issued to finance the budget begins. Debt service payments are made from the operating budget. The debt service for any particular municipal bond issued by the City is paid over a long period, typically 20 or more years.

Construction spending information is recorded and reported in the City's financial reports in several ways: as an initial capital budget appropriation, as expenditures made pursuant to the appropriation, as a yearly stream of repayments included in the operating budget to retire the debt that financed the initial outlay, and as an addition to the City's capital assets when a facility is completed followed by annual reductions thereto to record depreciation of the facility. Care must be taken to avoid confusing these numbers.

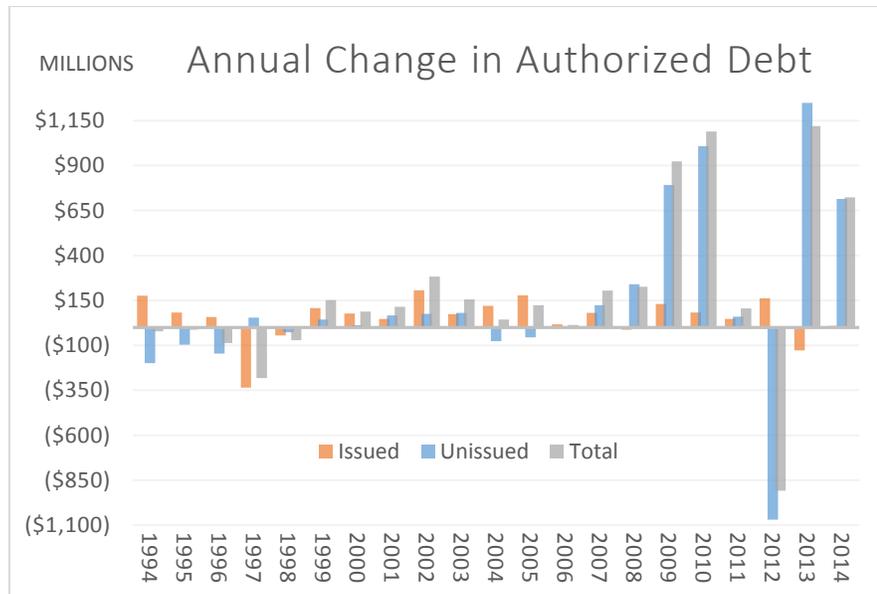


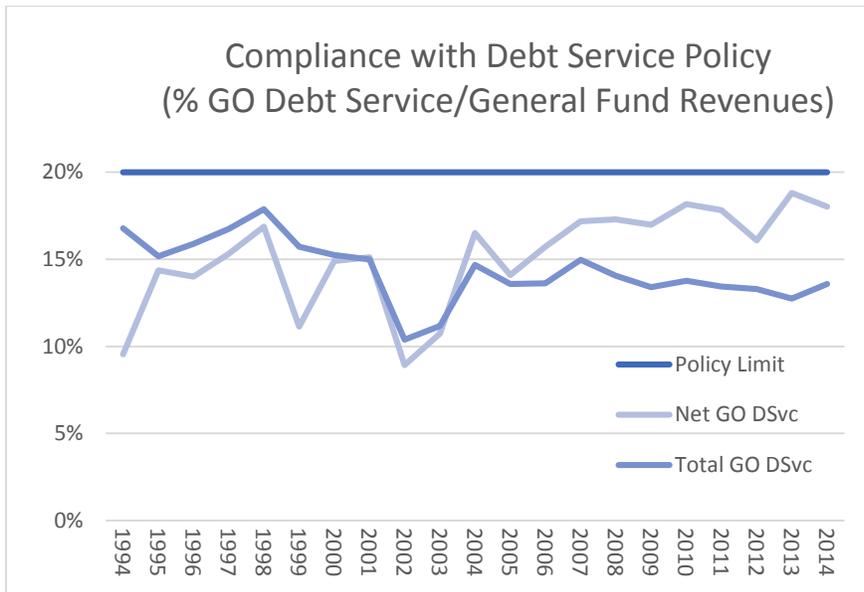
Authorized debt rose to a record \$5,685 per person

Figure D-1. The chart reflects the total amount of general debt authorized per Honolulu resident. On December 31, 2014, authorized debt climbed to a record \$5,685 per resident. This trend of accelerating debt is ongoing despite the fact that no bonds for the rail project have yet been issued.

Figure D-2. This chart shows the annual change in the amount of debt authorized for the City over the last 20 years. In 2014, the amount of debt authorized but unissued somewhat resembled the huge debt authorizations of FY 2009, 2010 and 2013. While in 2013 issued debt actually decreased, 2014 saw a return to the trend of increases in issued debt, although at a lower rate (\$7.7 million) than previous years.

FY 2014 experienced a modest increase of issued debt



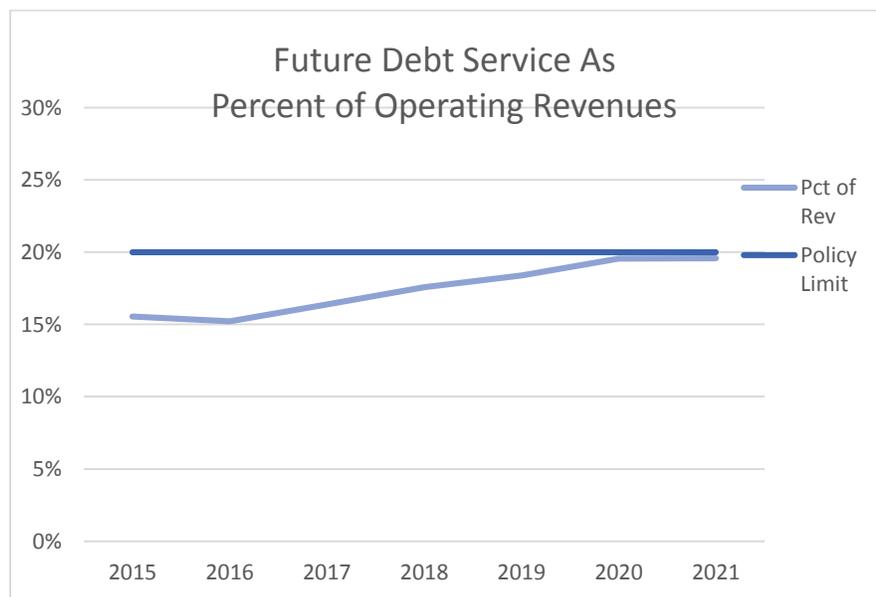


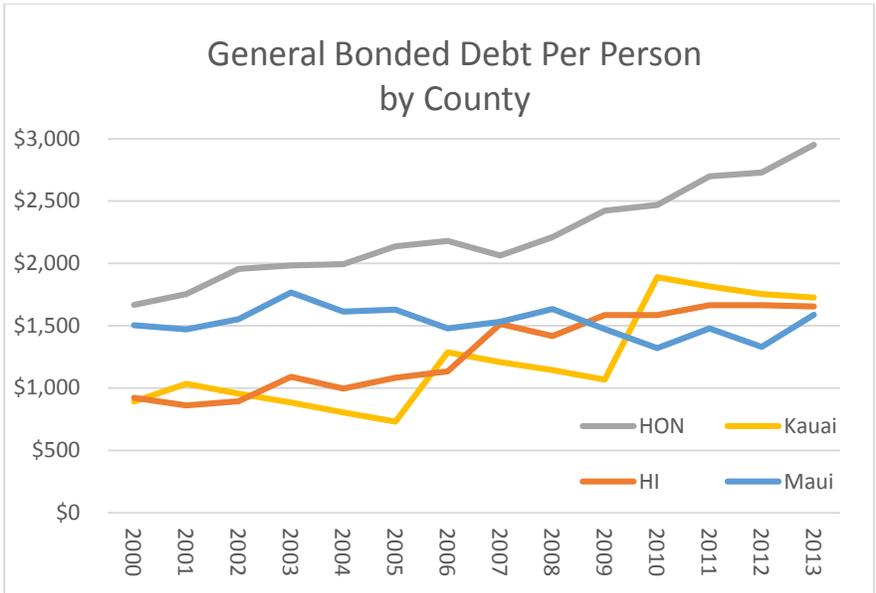
The city complied with the waived debt affordability guidelines

Figure D-3. The City's debt and financial policies, adopted in 1996, set forth two debt affordability guidelines. One specified that gross general debt service be less than 20% of the operating budget, the other that net general debt service be less than 20 percent of general revenues. The limits were unilaterally waived by the administration on October 26, 2011 for fiscal years 2014 through 2023, based on its projections, and the waivers are still in effect. The data shows that the net general debt service limit may be in danger of being breached in the near future.

Figure D-4. The city administration annually forecasts, among other things, the amounts of future debt service and operating revenues. While these data are not exactly the ones applicable to the debt policies, the data is indicative of the upcoming budgets as can best be determined. The forecast suggests that the city's debt service burden may come close to just under the waived policy in FY 2020.

Debt service is projected to gradually continue upward but remain within the affordability guidelines





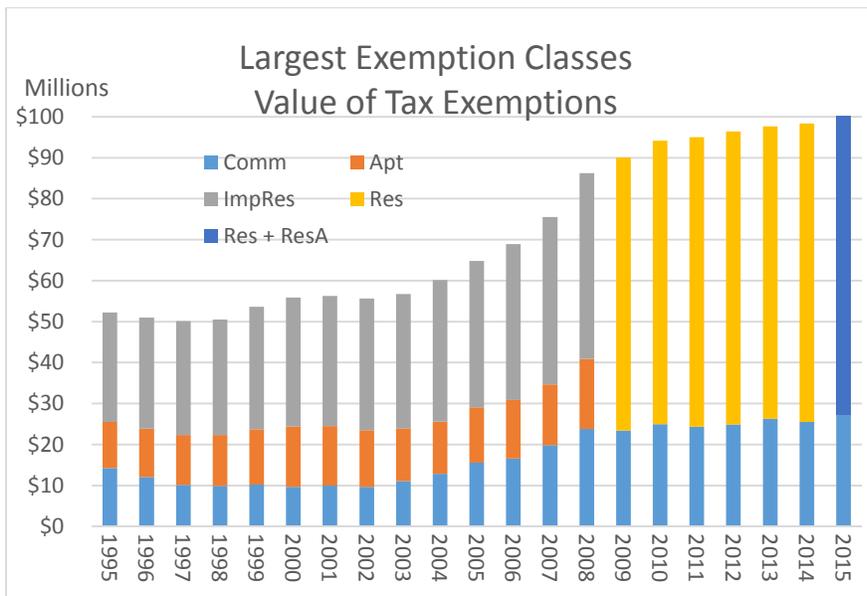
The city continued to amass debt faster than the neighbor islands

Figure D-5. Issued debt whose debt service payments are to be paid with property tax revenues is called general bonded debt. The trend has been for the city to grow its debt burden higher and faster than the other counties and it continues to do so. In 2013, Honolulu’s \$2,950 of issued debt per resident far surpasses that of Kauai at \$1,727, Hawaii County at \$1,654, and Maui at \$1,588.

E. Real Property Taxes

- **Assessment values and tax bills continue their recovery.**

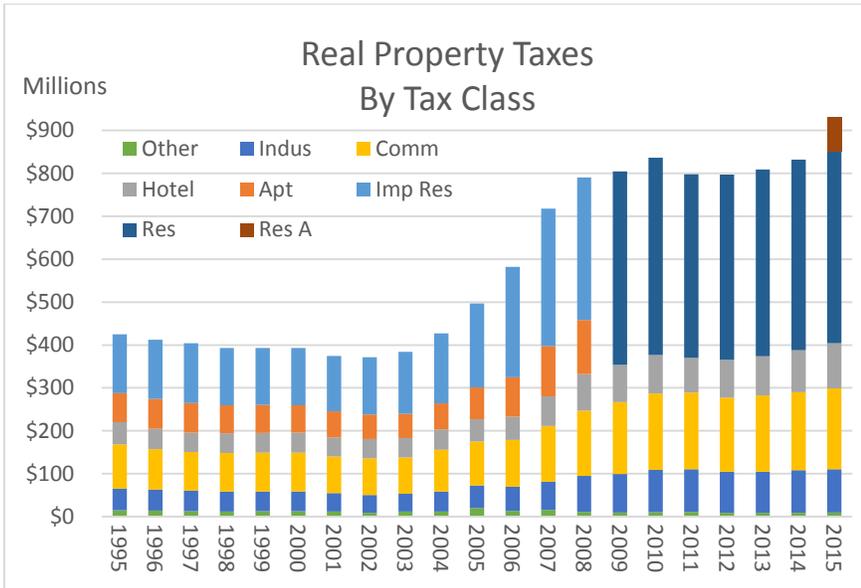
At just over a third of operating revenues, property taxes remain the City's largest single source of revenues. Property tax revenues are generated by applying tax rates, which are set annually by the City Council for each of the eight classes of real property, to the assessed value of each parcel of taxable real property, net of any applicable exemptions. That value is established by the City's real property assessment division according to prevailing market values.



Property tax exemptions were 12 percent of total tax receipts

Figure E-1. As with values in the overall real estate market and property tax assessments, the rise in the value of property tax exemptions (i.e. value of exempt properties multiplied by the otherwise applicable tax rate) has slowed, but exemption values continue to creep higher. Nearly all tax exemptions (91 percent of total exemption value in FY 2015) benefit the residential and commercial classes of properties, with residential accounting for by far the greater share. In FY 2015, property tax exemptions for all taxable properties represented foregone revenues of \$113.3 million, or 12 percent of anticipated property tax receipts.⁴

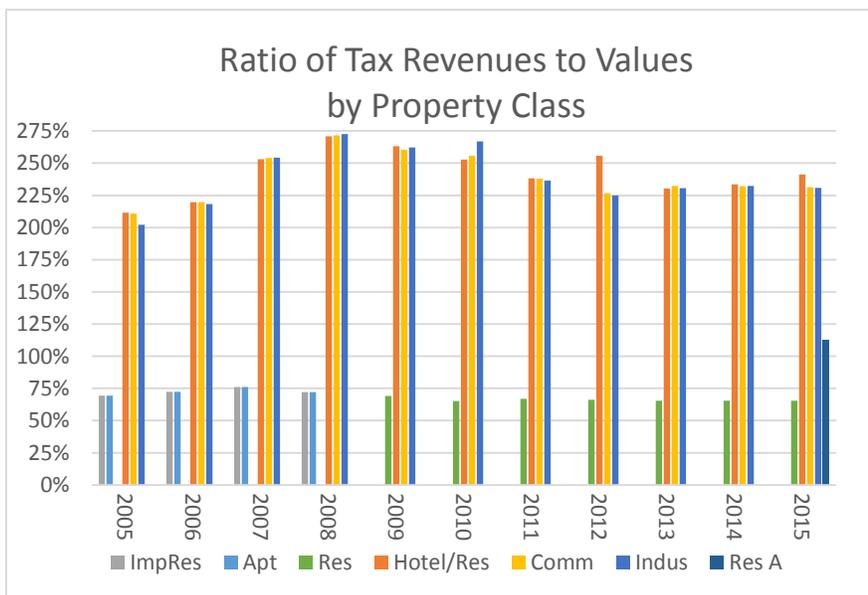
⁴ From 1995-2008 residential property exemptions are divided into *Apartment* and *Improved Residential*. In 2015 residential properties included both *Residential* and *Residential A*.



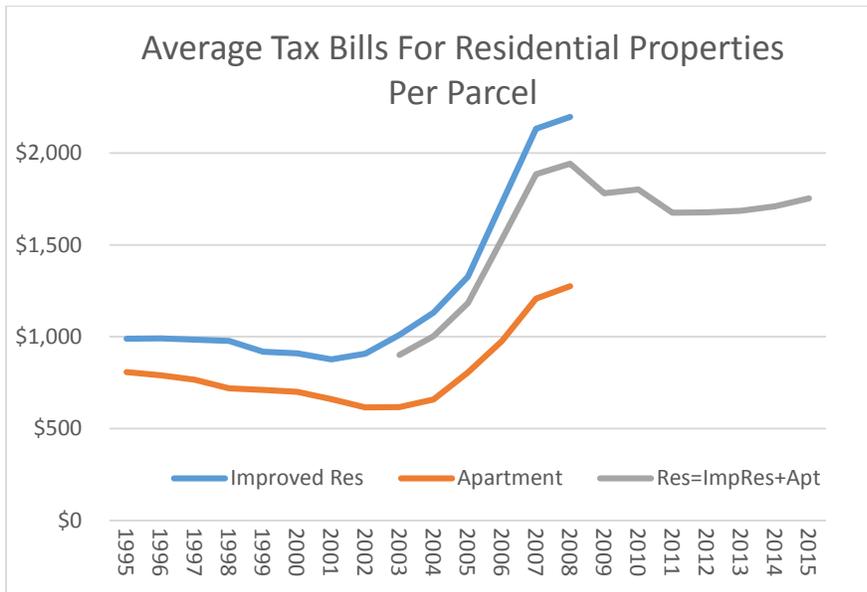
Property tax revenues increased by nearly \$100 million in FY 2015

Figure E-2. After remaining relatively steady since FY 2008, property tax revenues are projected to be nearly \$100 million higher in FY 2015. All of the larger tax classes saw revenue gains. The creation of the Residential A class at the rate of \$6.00 per \$1,000 of net taxable real property is responsible for the bulk of the residential property tax revenue gains in FY 2015, along with higher valuations.

Figure E-3. Because the City has long adopted lower rates for residential properties as compared to business properties, residential properties have had to pay much less than one would expect compared to their share of property values. That comparison is a measure of relative tax burden between such properties. (A class of property that generated 10 percent of total tax revenues and represented 10 percent of total property value would have a 100 percent ratio of revenue share to value share.) In FY 2015 residential properties accounted for 48 percent of tax revenues while representing 73 percent of property values, producing a share ratio of 65 percent. The change from the previous year is partly due to the creation of the Residential A class, which has a significantly higher share ratio of 112 percent. However, this share ratio is still far below that of the hotel (241 percent), commercial (231 percent), or industrial (231 percent) properties.



residential properties accounted for 48 percent of tax revenues while representing 73 percent of property values, producing a share ratio of 65 percent. The change from the previous year is partly due to the creation of the Residential A class, which has a significantly higher share ratio of 112 percent. However, this share ratio is still far below that of the hotel (241 percent), commercial (231 percent), or industrial (231 percent) properties.



The modest increase in residential average tax bills is due to the creation of the Residential A tax class

Figure E-4. The average tax bill for residential properties showed a slight increase in FY 2015 compared to the prior year, averaging \$1,753, up \$43 from the prior year. The comparison between the FY 2015 figure and those of prior years may be misleading as the Residential category no longer includes those high value properties now in the Residential A category. Tax bills for Residential A properties averaged \$10,348 per parcel, a significantly higher amount due to higher valuation of the properties in the class and the higher rate of taxation. (If the properties classified as Residential A were still within the Residential class and taxed at that rate, the average tax bills for residential properties would have been approximately \$1,878 – nearly equal to the 2007 average.)

Figure E-5. Average FY 2015 tax bills of commercial, industrial, and hotel properties continued their recent climb. Hotel properties saw average tax bills increase to \$14,395 compared to \$14,029 the prior year. Industrial properties moved higher to \$25,174, while commercial properties edged up to \$29,901. Since 2002, average commercial and industrial tax bills have increased more rapidly than hotel tax bills, although the rate of increases for all three follow a similar trend over the past three years.

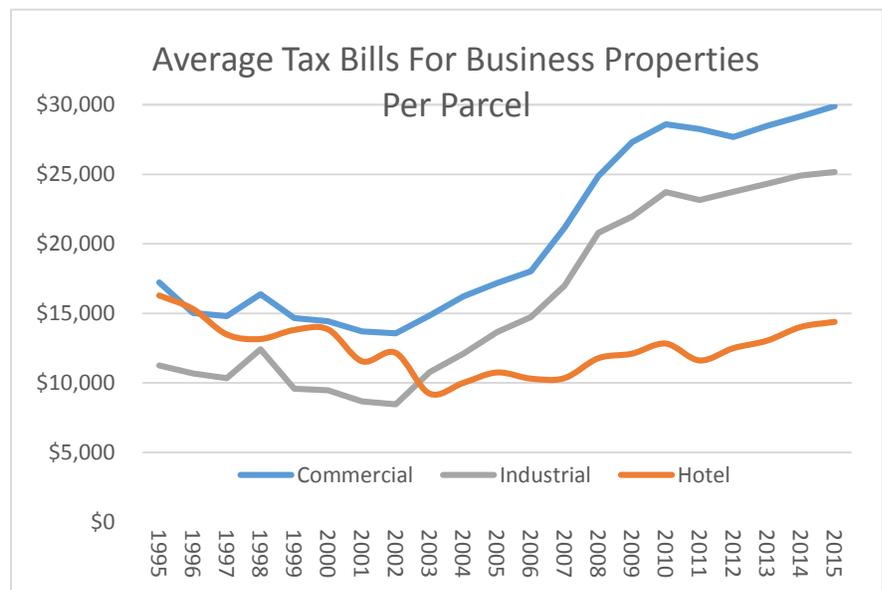


Figure E-6. County residential taxes are gradually recovering after the recession. Average Honolulu residential tax bills, reflecting both single family and apartment properties, are in the lower cost group, along with average Hawaii County, Maui, and Kauai residential taxes. Hawaii County and Maui apartment classes form the high cost group, due to high assessed values per parcel. (Honolulu figures for FY 2015 do not include the newly created Residential A class, which includes most residential properties over \$1 million without homeowner exemptions. Kauai ceased to have an apartment class in FY 2014.)

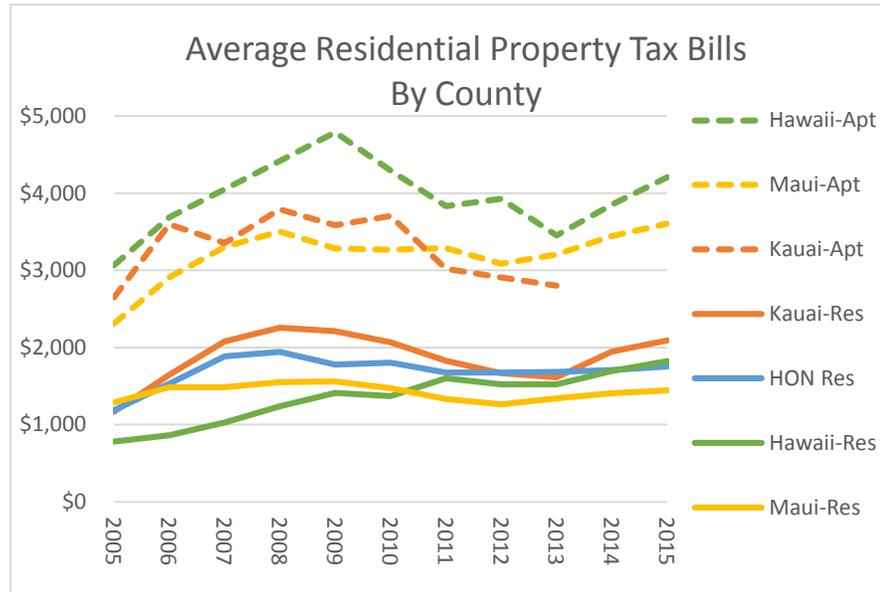
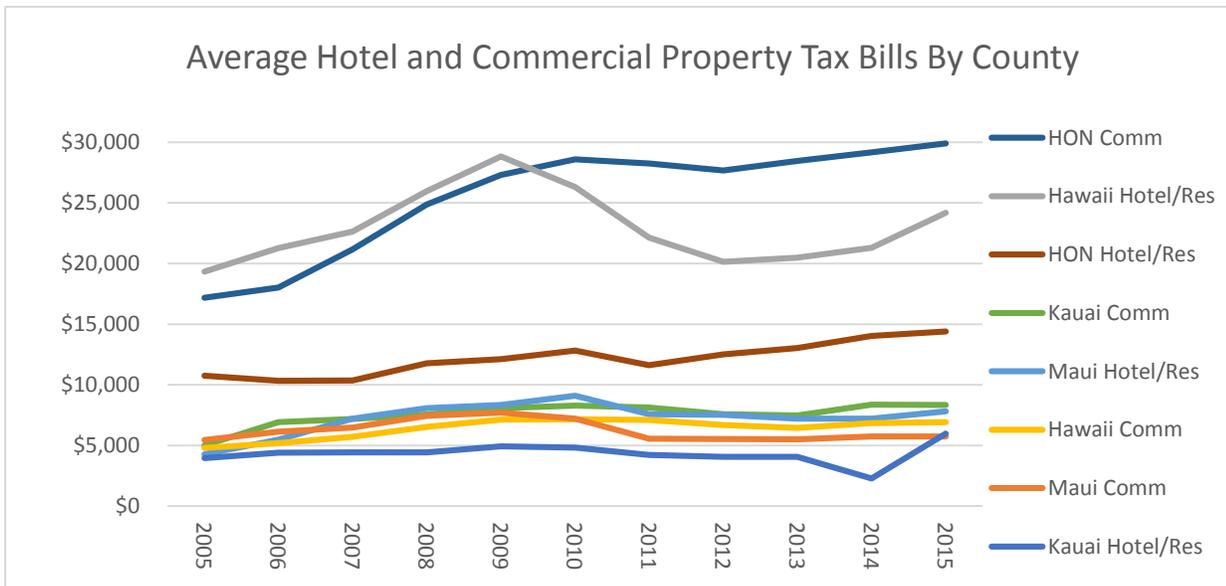


Figure E-7. In FY 2015, average county hotel and commercial property tax bills mostly increased or stayed about the same with Kauai and Maui commercial tax bills as the only category that retreated slightly in 2015. Overall, Hawaii County hotel tax bills show the biggest hit from the recession but appear to finally be recovering. Kauai hotel tax bills showed a steep jump in FY 2015 after a significant drop in FY 2014.



F. Fund Balance and Budgeted Property Taxes

- **In FY 2014, the general fund carryover from the prior year was again significant, and property tax collections also increased.**

The general fund is the primary fund from which appropriations are made in the operating budget. It is a recommended budget practice and advantageous for bond ratings that there be a reserve amount in the general fund to pay for unexpected costs. The Government Finance Officers Association recommends a minimum amount of unrestricted fund balance of about 17 percent of annual revenues or expenditures, whichever is more predictable. Other sources recommend a range of 5 to 15 percent. For FY 2015, the carryover from the previous year was forecast to account for 22 percent of operating resources. The City has not adopted a policy on the desirable amount of the minimum unrestricted fund balance.

The City's practice has been to budget practically all of the revenues of the general fund, including the carryover from the prior year, for expenditure each fiscal year, thereby leaving no planned reserve or fund balance. Yet by year's end, the City's general fund often has a large unbudgeted balance that is carried over to the next fiscal year. In fact, this carryover amount from the previous year is usually the second largest anticipated revenue source for the operating budget, next to property taxes.

While positive and reasonable balances in the general fund are desirable, wide disparities between budgeted and actual balances in the general fund are not. They point to a breakdown in budget planning; either substantial amounts of appropriations in the operating budget are not being expended, or revenues are being substantially under-estimated, or both. While some level of over-estimation of expenditures and under-estimation of revenues can be prudent, processes that lead to substantially and systemically skewed results can be problematic. Thus, although conservative estimation helps to avoid mid-year deficits, taken too far, it means that city services that were budgeted were not provided despite the availability of resources, or that projections of resources were found to be unreliable and risky.

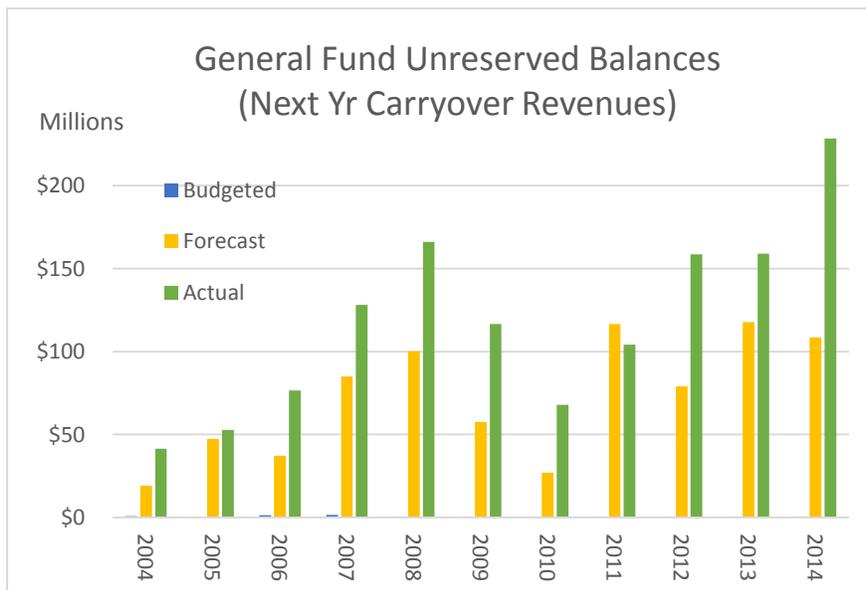


Figure F-1. The actual unreserved general fund balance recorded at the end of FY 2014 was \$228.4 million in spite of budgeting all available moneys. As shown in the chart, it is a longstanding practice of the city to budget all available moneys, planning to have zero (or near zero) funds remaining and leaving no fund balance at the end of a fiscal year.

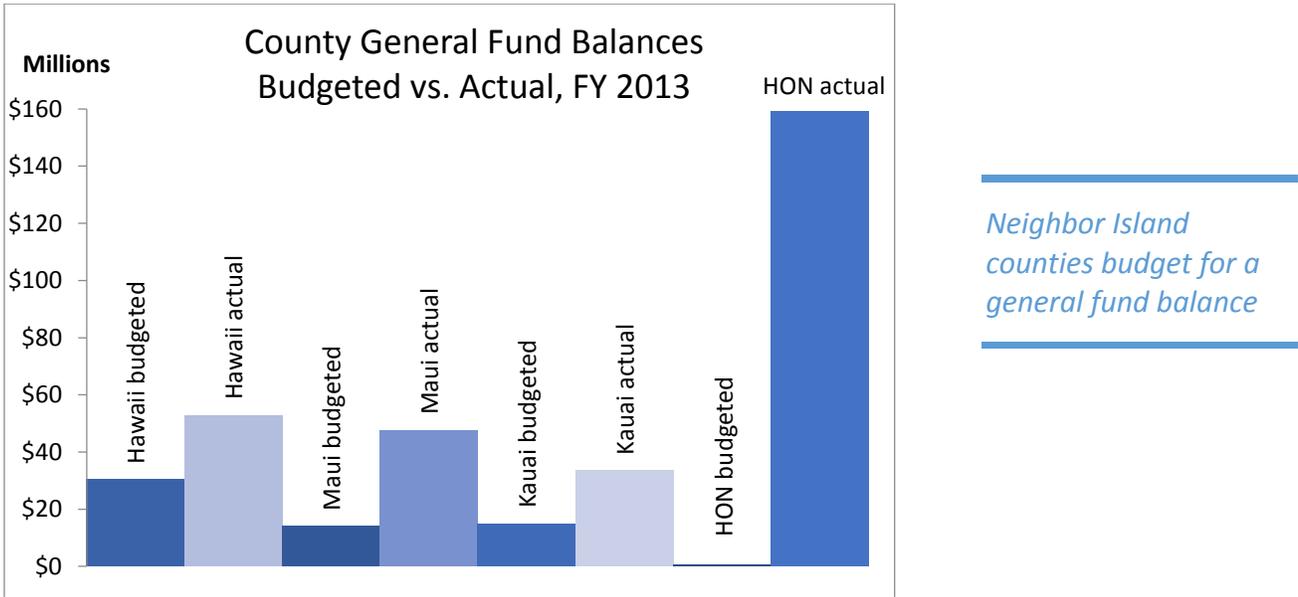
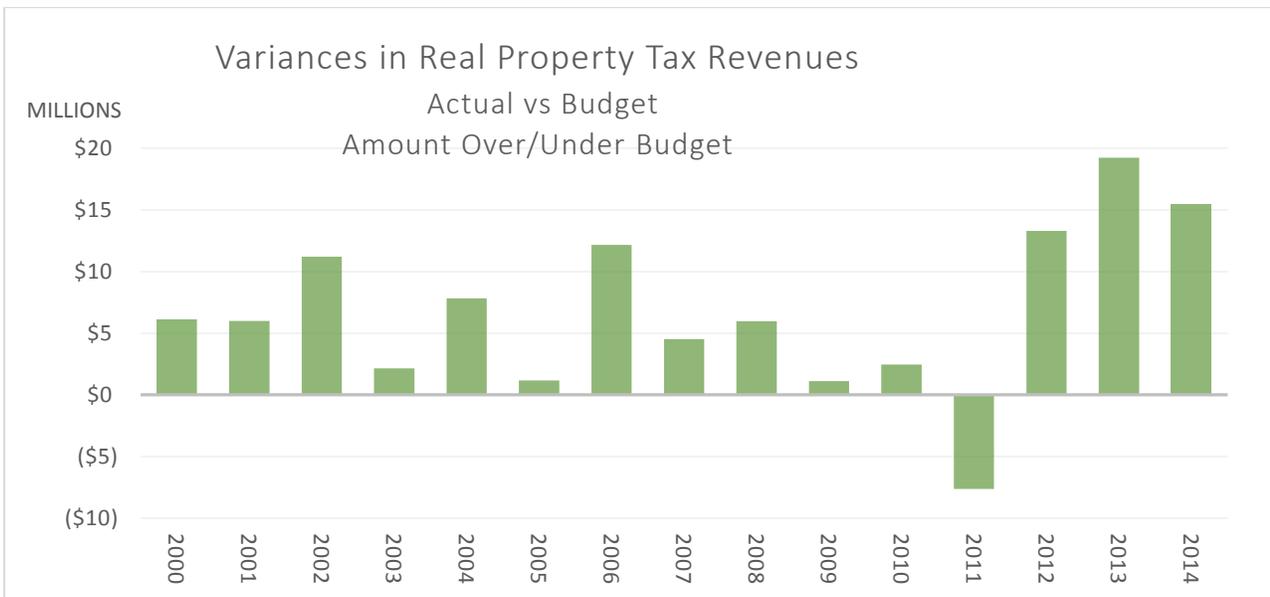


Figure F-2. The City's practice of budgeting the entire amount of general funds is not a generally recommended budget practice, and not a practice shared by the neighbor island counties. For FY 2013, in contrast with the City, each neighbor island county budgeted for a general fund balance at the end of the year ranging between \$14 and \$30 million.

Figure F-3. In FY 2014, actual real property tax receipts exceeded projections by \$15 million. This collection surplus was a significant contributor to the jump in the unbudgeted general fund balance at the end of that year (see above).



III. Executive Operating Budget

Actual Versus Budgeted Revenues and Expenditures, FY 2014 and FY 2015

This is a comparison of actual versus budgeted revenues and expenditures for the executive operating budget. The review covered all of FY 2014 (ending on June 30, 2014) and six months of FY 2015 through December 31, 2014. Our review is based on the information in the FY 2014 and FY 2015 Executive Program and Budget documents, the executive operating budget ordinances (Ordinance 13-19 for FY 2014, and Ordinance 14-18 for FY 2015), unaudited financial statements for FY 2014, and the December 2014 accounting reports for FY 2015 from the Department of Budget and Fiscal Services. Our review of expenditures includes all fund sources, while the review of revenues only covers the general fund.

Overview:

- In FY 2014, the largest general fund revenue variance was because over \$11 million in repayments of debt service from highways funds were not collected.
- Also in FY 2014, the largest appropriation lapse was over \$81 million lapsing from the \$484 million appropriation for the payment of debt service on City and County Bonds activity.⁵ In percentage terms, the largest lapse was from the \$16.1 million appropriation for the provision for energy costs, where 100 percent of the appropriated amount lapsed.

A. Review of FY 2014

1. General Fund Overview

Overall, for FY 2014, actual general fund revenues were \$103 million more than the \$1.291 billion estimated in the budget (these figures include revenues, other financing sources (e.g. sale of assets), transfers in, and unreserved fund balance from prior year). Actual general fund expenditures for executive and legislative departments, miscellaneous expenses and debt service totaled \$78 million lower than the \$1.213 billion budgeted (these figures include expenditures from departments, miscellaneous expenditures and debt service; other financing uses; and transfers out). The actual unreserved and undesignated fund balance at the end of FY 2014 totaled \$181 million more than the budgeted fund

⁵ \$70 million was appropriated to this activity to defease Housing Development Fund bonds due to the HAHPI sale. The HAHPI sale did not occur in FY 2014, explaining the bulk of this lapse.

balance of \$0. The \$181 million ending fund balance computes to a favorable ratio of 14.9 percent compared to FY 2014 expenditures.⁶

2. Significant Revenue Variances for General Fund, FY 2014

The following table shows general fund revenue sources with a variance of both \$1 million and five percent or more between actual and budgeted revenue amounts for FY 2014. Negative amounts mean actual revenues were below the amounts budgeted.

**Table III-1. FY 2014 Major
General Fund Revenue Variances**

General Fund Revenue Source	Variance From Budget	Percent of Budgeted Amt
Motor Vehicle Drivers' License	-\$1,171,000	-26.3%
Plan Review Use Fees	-2,746,000	-62.8%
Fireboat Operations	-2,282,000	-58.2%
Emergency Ambulance Services	-6,576,000	-16.4%
Recovery-Interest-Federal Subsidy	-1,447,000	-53.7%
Sundry Refunds	1,546,000	70.7%
Recovery of Debt Service Charges (Highway Fund)	-11,127,000	-12.3%

⁶ The Government Finance Officers Association, a standard-setting professional association, recommends an unreserved fund balance in the general fund of no less than five to 15 percent of operating revenues.

3. Major Appropriation Lapses by Activity, FY 2014

In Table III-2 below, we have highlighted the major appropriation lapses for FY 2014, by budgeted activity, based on the detailed information in Table III-3 and Table III-4, which follow. We included lapses that were both at least \$1 million and at least five percent of adjusted appropriations, only included budgeted activities, and excluded federal and state grants from funds such as the Federal Grants Fund and the Special Projects Fund.

Table III-2. FY 2014 Major Appropriation Lapses by Activity

Dept/Activity	Adjusted Appropriation	Lapsed Amount	Percent of Appropriation
General Government/Department of Customer Services/Motor Vehicle, Licensing and Permits	\$15,999,975	\$2,332,496	14.6%
General Government/Department of Budget and Fiscal Services/Liquor Commission	4,002,638	1,242,268	31.0%
General Government/Department of the Prosecuting Attorney/Prosecution	14,209,946	1,607,564	11.3%
Highways and Streets/Department of Facility Maintenance/Road Maintenance	22,996,546	1,366,155	5.9%
General Government/Department of Design and Construction/Project and Construction Management	12,754,344	1,504,475	11.8%
Public Safety/Police Department/Administrative Services	28,075,689	2,926,140	10.4%
Public Safety/Fire Department/Fireboat	3,004,870	1,805,623	60.1%
Public Safety/Department of Emergency Services/Emergency Medical Services	27,480,162	2,777,268	10.1%
Public Safety/Department of Emergency Management/Emergency Management Coordination	8,859,780	2,390,945	27.0%
Human Services/Department of Community Services/Administration	2,278,595	1,514,437	66.5%
Human Services/Department of Community Services/Office of Special Projects	9,548,405	3,950,669	41.4%
Human Services/Department of Community Services/Community Assistance	57,280,319	7,498,283	13.1%

**Table III-2. FY 2014 Major
Appropriation Lapses by Activity**

Dept/Activity	Adjusted Appropriation	Lapsed Amount	Percent of Appropriation
Human Services/Department of Community Services/Community Based Development	15,881,965	3,284,866	20.7%
Culture-Recreation/Department of Parks and Recreation/Recreation Services	22,875,234	1,244,434	5.4%
Culture-Recreation/Department of Parks and Recreation/Grounds Maintenance	27,428,826	1,565,836	5.7%
Sanitation/Department of Environmental Services/Refuse Collection and Disposal	168,345,197	20,188,272	12.0%
Sanitation/Department of Environmental Services/Environmental Quality	12,770,578	5,191,748	40.7%
Sanitation/Department of Environmental Services/Collection System Maintenance	23,417,292	4,002,130	17.1%
Sanitation/Department of Environmental Services/Treatment and Disposal	73,456,988	9,264,039	12.6%
Debt Service/City and County Bonds	484,408,000	81,921,401	16.9%
Miscellaneous/Retirement System – Employer's Share	111,304,933	8,603,693	7.7%
Miscellaneous/Hawaii Employer-Union Health Benefits Trust Fund	109,069,000	7,340,347	6.7%
Miscellaneous/Workers' Compensation	14,850,000	1,242,713	8.4%
Miscellaneous/Salary Adjustment and Accrued Vacation Pay ⁷	4,950,000	4,796,077	96.9%
Miscellaneous/Provision for Judgments, Settlements and Losses	13,500,000	5,208,687	38.6%
Miscellaneous/Risk Management	9,395,000	1,208,822	12.9%

⁷ Unlike other line items, the difference between the original appropriation and the adjusted appropriation is treated as the amount expended because it is the amount transferred to other line items for expenditure. The lapsed amount, then, is the adjusted appropriation. The percent lapsed is computed based on the budgeted appropriation, rather than on the adjusted appropriation.

Table III-2. FY 2014 Major Appropriation Lapses by Activity

Dept/Activity	Adjusted Appropriation	Lapsed Amount	Percent of Appropriation
Miscellaneous/Provision for Energy Costs ⁸	16,145,969	16,145,969	100.0%
Miscellaneous/ Provision for Vacant Positions & Salary Increases ⁹	65,122,521	20,597,163	31.6%
General Government – Legislative/Administration	5,587,954	1,293,078	23.1%

4. Detailed Expenditure Results by Activity, FY 2014

Table III-3 displays expenditure results of activities in the FY 2014 executive operating budget ordinance, listed by agency in the order the activity appears in the ordinance. In addition, the activity “Other Grants”, which is an unbudgeted item found occasionally only in the accounting reports, is added under the appropriate agency. For each activity, the amounts appropriated, expended/encumbered, and lapsed in the fiscal year are shown. Included is the percentage of the activity’s appropriation that the lapsed amount represents. Activities where the lapsed amount equaled or exceeded both \$1 million and five percent of the adjusted appropriation are highlighted, but only if the lapsed amount and percentage continue to meet the criteria after excluding grant funds from any source.¹⁰ For each activity, the following information is provided regarding its status at the end of the fiscal year:

- (1) Total appropriated amount as shown in the budget ordinance.
- (2) The total appropriated amount as may be adjusted by any transfers and grants, whether from state or federal sources. The adjusted amount may be higher than the initial appropriation if a transfer or grant added to the amount appropriated. Alternatively, the adjusted amount may be lower than the initial appropriation if a transfer reduced the amount appropriated to that activity or if a grant was less than budgeted.
- (3) The amount of the adjusted appropriation that was expended or encumbered during the fiscal year.
- (4) The amount that lapsed at the end of the fiscal year and its percentage of the adjusted appropriation.

⁸ Ibid.

⁹ Ibid.

¹⁰ Unbudgeted grant and special projects funds are excluded.

**Table III-3
EXECUTIVE OPERATING BUDGET
Appropriations for FY 2014, All Funds**

Budgeted Activity	Approp.	Net Approp.	Expend./ Encumb.	Lapsed	% Lapsed
Mayor					
Administration	401,208	597,208	578,173	19,035	3.2%
Contingency	24,741	24,741	18,201	6,540	26.4%
Managing Director					
City Management	1,954,054	2,089,592	1,666,319	423,273	20.3%
Culture and the Arts	710,653	710,653	491,223	219,430	30.9%
Neighborhood Commission	684,192	781,716	738,261	43,455	5.6%
Office of Housing	98,704	114,015	108,812	5,203	4.6%
Royal Hawaiian Band	1,885,752	1,992,885	1,967,457	25,428	1.3%
Other Grants*	-	434,957	404,226	30,731	7.1%
Department of Customer Services					
Administration	428,038	485,527	468,857	16,670	3.4%
Public Communication	1,288,341	1,438,944	1,363,639	75,305	5.2%
Satellite City Hall	4,087,191	4,256,038	4,134,665	121,373	2.9%
Motor Vehicle, Licensing and Permits	15,596,062	15,999,975	13,667,479	2,332,496	14.6%
Department of Budget and Fiscal Services					
Administration	498,087	831,185	814,675	16,510	2.0%
Internal Control	476,032	547,758	540,408	7,350	1.3%
Fiscal/CIP Administration	1,016,175	1,114,633	1,063,811	50,822	4.6%
Budgetary Administration	893,152	893,152	847,147	46,005	5.2%
Accounting and Fiscal Services	4,589,098	4,595,601	4,076,520	519,081	11.3%
Purchasing and General Services	1,537,115	1,622,406	1,600,496	21,910	1.4%
Real Property	5,308,042	5,633,003	5,365,885	267,118	4.7%
Treasury	2,519,212	2,578,684	2,341,379	237,305	9.2%
Liquor Commission	4,002,638	4,002,638	2,760,370	1,242,268	31.0%
Department of Information Technology					
Administration	12,482,958	12,604,854	12,179,444	425,410	3.4%
Applications	1,803,332	2,000,592	2,000,591	1	0.0%
Technical Support	1,373,963	1,373,963	1,373,950	13	0.0%
Operations	1,266,507	1,300,263	1,240,162	60,101	4.6%
ERP-CSR	1,908,554	2,110,536	2,098,416	12,120	0.6%
Radio and Network	853,064	868,270	866,198	2,072	0.2%
Other Grants*	-	3,000,000	1,298,745	1,701,255	56.7%
Department of the Corporation Counsel					
Legal Services	7,053,878	7,610,866	7,021,603	589,263	7.7%
Ethics Commission	361,843	361,843	348,124	13,719	3.8%

Table III-3 (continued)
EXECUTIVE OPERATING BUDGET
Appropriations for FY 2014, All Funds

Budgeted Activity	Approp.	Adjusted Approp.	Expend./ Encumb.	Lapsed	% Lapsed
Department of the Prosecuting Attorney					
Administration	5,224,599	5,202,774	4,730,019	472,755	9.1%
Prosecution	13,403,426	14,209,946	12,602,382	1,607,564	11.3%
Victim/Witness Assistance	2,173,973	3,097,786	2,579,969	517,817	16.7%
Department of Human Resources					
Administration	1,170,515	1,170,515	1,066,318	104,197	8.9%
Employment and Personnel Services	1,437,843	1,572,930	1,519,016	53,914	3.4%
Classification and Pay	510,836	510,836	484,831	26,005	5.1%
Industrial Safety and Workers' Compensation	1,032,949	1,081,624	1,078,074	3,550	0.3%
Labor Relations and Training	1,005,773	1,042,593	1,014,069	28,524	2.7%
Department of Planning and Permitting					
Administration	2,978,559	3,003,579	2,749,853	253,726	8.4%
Site Development	3,370,829	3,635,056	3,476,021	159,035	4.4%
Land Use Permits	955,756	1,255,782	1,017,888	237,894	18.9%
Planning	1,860,896	2,099,550	1,896,149	203,401	9.7%
Customer Service Office	2,553,988	3,017,043	2,750,128	266,915	8.8%
Building	5,568,117	5,679,730	5,357,022	322,708	5.7%
Other Grants*	-	2,207,123	2,201,968	5,154	0.2%
Department of Facility Maintenance					
Administration	2,492,842	2,536,847	1,646,905	889,942	35.1%
Road Maintenance	21,641,410	22,996,546	21,630,391	1,366,155	5.9%
Pub Building and Electrical Maint	31,070,739	32,051,609	31,112,084	939,525	2.9%
Automotive Equipment Services	18,825,063	19,315,670	18,600,330	715,340	3.7%
Other Grants*	-	693,943	131,417	562,526	81.1%
Department of Design and Construction					
Administration	856,507	867,376	850,031	17,345	2.0%
Project and Construction Mgmt	12,032,690	12,754,344	11,249,869	1,504,475	11.8%
Land Services	2,312,668	2,492,050	2,443,523	48,528	1.9%

Table III-3 (continued)
EXECUTIVE OPERATING BUDGET
Appropriations for FY 2014, All Funds

Budgeted Activity	Approp.	Adjusted Approp.	Expend./ Encumb.	Lapsed	% Lapsed
Police Department					
Police Commission	365,864	480,864	475,589	5,275	1.1%
Office of the Chief of Police	7,359,142	7,659,142	7,593,246	65,896	0.9%
Patrol	114,922,004	125,800,130	125,756,917	43,213	0.0%
Specialized Field Operations	10,542,428	11,017,428	10,978,947	38,481	0.3%
Investigations	33,242,330	34,831,330	34,298,541	532,789	1.5%
Support Services	30,165,904	31,248,521	30,873,539	374,982	1.2%
Administrative Services	22,507,535	28,075,689	25,149,549	2,926,140	10.4%
Other Grants*	-	8,288,215	6,126,710	2,161,505	26.1%
Fire Department					
Fire Commission	16,294	16,294	3,526	12,768	78.4%
Administration	3,095,134	3,252,749	3,107,179	145,570	4.5%
Fire Communication Center	2,262,950	2,353,463	2,273,630	79,833	3.4%
Fire Prevention	3,515,873	3,683,161	3,659,442	23,719	0.6%
Mechanic Shop	2,223,631	2,342,493	2,333,963	8,530	0.4%
Training and Research	1,721,037	1,969,614	1,892,115	77,499	3.9%
Radio Shop	910,499	920,499	902,126	18,373	2.0%
Fire Operations	75,085,210	79,849,385	79,707,393	141,992	0.2%
Fireboat	2,969,694	3,004,870	1,199,247	1,805,623	60.1%
City Radio System	249,866	268,866	266,289	2,577	1.0%
Other Grants*	-	409,480	253,255	156,226	38.2%
Department of Emergency Services					
Administration	465,760	526,684	509,553	17,131	3.3%
Emergency Medical Services	26,869,314	27,480,162	24,702,894	2,777,268	10.1%
Ocean Safety	9,012,165	9,684,715	9,557,220	127,495	1.3%
Health Services	533,414	669,646	651,148	18,498	2.8%
Other Grants*	-	65,000	4,717	60,283	92.7%
Department of Emergency Management					
Emergency Management Coordination	1,095,311	8,859,780	6,468,835	2,390,945	27.0%
Other Grants*	-	196,743	159,912	36,831	18.7%

Table III-3 (continued)
EXECUTIVE OPERATING BUDGET
Appropriations for FY 2014, All Funds

Budgeted Activity	Approp.	Adjusted Approp.	Expend./ Encumb.	Lapsed	% Lapsed
Department of the Medical Examiner					
Investigation of Deaths	1,297,533	1,666,197	1,611,552	54,645	3.3%
Department of Community Services					
Administration	2,278,595	2,278,595	764,158	1,514,437	66.5%
Office of Special Projects	9,569,427	9,548,405	5,597,736	3,950,669	41.4%
Oahu Workforce Investment Board	258,908	258,908	169,481	89,427	34.5%
Community Assistance	57,008,725	57,280,319	49,782,036	7,498,283	13.1%
Elderly Services	9,838,488	10,290,583	9,097,293	1,193,290	11.6%
Community Based Development	9,935,996	15,881,965	12,597,099	3,284,866	20.7%
WorkHawaii	12,435,201	12,783,201	9,349,281	3,433,920	26.9%
Other Grants*	-	355,946	303,290	52,657	14.8%
Department of Parks and Recreation					
Administration	1,679,188	1,901,000	1,878,683	22,317	1.2%
Urban Forestry	8,345,608	8,543,560	8,411,479	132,081	1.5%
Maintenance Support Services	5,400,652	5,640,244	5,451,227	189,017	3.4%
Recreation Services	22,617,156	22,875,234	21,630,800	1,244,434	5.4%
Grounds Maintenance	26,494,654	27,428,826	25,862,990	1,565,836	5.7%
Other Grants*	-	483,296	59,849	423,448	87.6%
Department of Enterprise Services					
Administration	616,294	734,849	724,181	10,668	1.5%
Auditoriums	5,671,427	5,721,427	5,679,603	41,824	0.7%
Honolulu Zoo	5,157,643	5,424,519	5,420,748	3,771	0.1%
Golf Courses	9,539,495	9,636,893	9,037,050	599,843	6.2%
Department of Transportation Services					
Administration	552,972	600,972	576,375	24,597	4.1%
Transportation Planning	1,576,389	1,677,575	1,199,089	478,486	28.5%
Traffic Engineering	2,109,507	2,818,310	2,233,338	584,972	20.8%
Traffic Signals and Technology	3,705,702	3,847,580	3,721,734	125,846	3.3%
Public Transit	228,632,456	229,334,078	227,426,663	1,907,415	0.8%
Other Grants*	-	42,222	-	42,222	100.0%

Table III-3 (continued)
EXECUTIVE OPERATING BUDGET
Appropriations for FY 2014, All Funds

Budgeted Activity	Approp.	Adjusted Approp.	Expend./ Encumb.	Lapsed	% Lapsed
Department of Environmental Services					
Refuse Collection and Disposal	167,752,979	168,345,197	148,156,925	20,188,272	12.0%
Administration	8,693,420	8,845,088	8,176,864	668,224	7.6%
Environmental Quality	11,924,710	12,770,578	7,578,830	5,191,748	40.7%
Collection System Maintenance	22,369,986	23,417,292	19,415,162	4,002,130	17.1%
Treatment and Disposal	71,290,946	73,456,988	64,192,949	9,264,039	12.6%
Debt Service and Miscellaneous					
City and County Bonds	484,408,000	484,408,000	402,486,599	81,921,401	16.9%
Other Than Bonds	360,000	360,000	359,220	780	0.2%
County Pension & Related Expenses	17,000	17,000	10,361	6,639	39.1%
Retirement System - Employer's Share	111,304,933	111,304,933	102,701,240	8,603,693	7.7%
FICA - Employer's Share	24,555,487	24,555,487	23,622,698	932,789	3.8%
Hawaii Employer-Union Health Benefits Trust Fund	109,069,000	109,069,000	101,728,653	7,340,347	6.7%
Workers' Compensation	14,850,000	14,850,000	13,607,287	1,242,713	8.4%
Unemployment Compensation	800,000	800,000	405,130	394,870	49.4%
Salary Adj and Accrued Vac Pay**	4,950,000	4,796,077	153,923	4,796,077	96.9%
Provision for Other Post-Employment Benefits	41,682,016	41,682,016	41,544,416	137,600	0.3%
Provision for Grants, Partnerships and Security**	1,500,000	627,226	872,774	627,226	41.8%
Provision for Judgments, Settlements and Losses	13,500,000	13,500,000	8,291,313	5,208,687	38.6%
Risk Management	9,395,000	9,395,000	8,186,178	1,208,822	12.9%
Provision for Energy Costs**	16,145,969	16,145,969	-	16,145,969	100.0%
Provision for Vacant Positions & Salary Increases**	65,122,521	20,597,163	44,525,358	20,597,163	31.6%
TOTAL EXECUTIVE APPROPRIATIONS	2,161,127,906	2,193,424,390	1,943,588,530	249,835,860	11.4%

* Other Grants reflects single purpose monies received from the state and federal governments. Although they are allocated for specific activities within the department, they are broken out into the Other Grants separate line item if those activities did not have any state or federal grant appropriations in Ordinance 13-19.

** Unlike other activities, for these line items the difference between the original appropriation and the adjusted appropriation is treated as the amount expended because it is the amount transferred to other line items for expenditure. The lapsed amount, then, is the adjusted appropriation. The percent lapsed is computed based on the budgeted appropriation, rather than on the adjusted appropriation.

**Table III-4
LEGISLATIVE BUDGET
Appropriations for FY 2014, All Funds**

Budgeted Activity	Approp.	Adjusted Approp.	Expend./ Encumb.	Lapsed	% Lapsed
City Council					
Administration	5,612,954	5,587,954	4,294,876	1,293,078	23.1%
Council Allotment	194,600	219,600	117,774	101,826	46.4%
Salary Commission	600	600	523	77	12.8%
Office of Council Services					
Administration	524,160	595,410	579,913	15,497	2.6%
Legal Assistance	451,748	465,748	461,696	4,053	0.9%
Organized Research and Analysis	516,297	429,047	373,827	55,220	12.9%
Revisor of Ordinances	57,405	59,405	58,693	712	1.2%
City Clerk					
Administration	378,498	378,498	333,086	45,412	12.0%
Support Services	332,946	292,946	220,857	72,089	24.6%
Council Assistance	868,783	908,783	796,874	111,909	12.3%
Elections	1,831,993	1,838,226	1,754,554	83,672	4.6%
City Auditor					
Administration	1,078,977	1,078,977	953,589	125,388	11.6%
Financial Audit	471,502	471,502	471,502	-	0.0%
Miscellaneous					
Retirement System	1,286,566	1,286,566	1,161,515	125,051	9.7%
FICA	639,854	639,854	370,556	269,298	42.1%
EUTF	1,524,600	1,524,600	1,396,202	128,398	8.4%
Accumulated Vacation Leave	273,077	266,844	-	266,844	100.0%
Unemployment Compensation	75,000	75,000	75,000	-	0.0%
TOTAL LEGISLATIVE APPROPRIATIONS	16,119,560	16,119,560	13,421,037	2,698,523	16.7%
TOTAL CITY APPROPRIATIONS	2,177,247,466	2,209,543,950	1,957,009,568	252,534,383	11.4%

5. Major Appropriation Lapses by Fund, FY 2014

In Table III-5 below, we display the amounts appropriated, expended/encumbered, and lapsed by fund source. We have highlighted the major fund lapses for FY 2014 that were both at least \$5 million and at least ten percent of adjusted appropriations.¹¹

Table III-5
EXECUTIVE AND LEGISLATIVE BUDGET, FY 2014
Summary of Results by Fund

Fund	Approp.	Adjusted Approp.	Expend./ Encumb.	Lapsed	% Lapsed
General Fund	1,202,725,688	1,202,725,688	1,043,540,166	159,185,522	13.2%
Highway Fund	109,819,365	109,819,365	102,099,672	7,719,693	7.0%
Sewer Fund	290,132,549	290,132,549	260,088,678	30,043,871	10.4%
Bus Transportation Fund	210,218,300	210,218,300	205,754,382	4,463,918	2.1%
Liquor Commission Fund	5,846,002	5,846,002	4,447,934	1,398,068	23.9%
Bikeway Fund	597,947	597,947	386,394	211,553	35.4%
Highway Beautification and Disposal	4,583,943	4,583,943	2,729,977	1,853,966	40.4%
Special Events Fund	16,780,989	16,780,989	16,369,748	411,241	2.5%
Golf Fund	13,829,803	13,829,803	12,920,199	909,604	6.6%
Solid Waste Special Fund	198,766,047	198,766,047	176,218,949	22,547,098	11.3%
Hanauma Bay Nature Preserve Fund	5,008,313	5,008,313	4,503,897	504,416	10.1%
Rental Assistance Fund	5,233,000	5,233,000	127,797	5,105,203	97.6%
Housing Development Special Fund	210,148	210,148	91,148	119,000	56.6%
Community Development Fund	2,458,923	2,458,923	1,270,860	1,188,063	48.3%
Rehabilitation Loan Fund	3,205,000	3,205,000	1,683,539	1,521,461	47.5%
Section 8 Contract Fund	47,154,244	47,324,244	47,305,111	19,133	0.0%
Federal Grants Fund	46,162,696	72,383,053	61,809,191	10,573,862	14.6%
Leasehold Conversion Fund	15,567	15,567	14,293	1,274	8.2%
Special Projects Fund	8,904,091	14,810,220	10,339,919	4,470,300	30.2%
Clean Water & Natural Lands Fund	25,000	25,000	-	25,000	100.0%
Affordable Housing Fund	25,000	25,000	-	25,000	100.0%
Grants in Aid Fund	5,544,851	5,544,851	5,307,714	237,137	4.3%
TOTAL	2,177,247,466	2,209,543,951	1,957,009,568	252,534,383	11.4%

¹¹ Grant and special projects funds are excluded from this analysis.

B. Review of FY 2015 General Fund Revenue Assumptions Through 12/31/14

We reviewed the status as of 12/31/14 of major general fund revenue assumptions for FY 2015. For the purpose of this summary, we define major revenue assumptions as those that involve an amount exceeding \$1 million and concern either new sources to the city or a significant increase or decrease in existing sources. As an example, changes in transfers between funds were not part of this review.

Table III-6. FY 2015 Major General Fund Revenue Assumptions

General Fund Revenue Assumption	Amount Budgeted	Status as of 12/31/14
Real Property Tax. Budgeted amount increased by \$99.6 million or 12.0% from prior fiscal year.	\$931,468,291	\$143,703,304 received ¹²
Transient Accommodations Tax. Budgeted amount increased by \$4.4 million or 10.8% from prior fiscal year.	45,423,000	22,711,500 received
Recovery- Debt Service-SWDF Special Fund. Budgeted amount increased by \$4.6 million or 19.7% from prior fiscal year.	27,950,000	12,911,953 received
Recovery- Debt Service-Housing Special Fund. Budgeted amount increased by \$5.5 million or 1110.9% from prior fiscal year.	5,941,000	2,937,290 received
Recovery- Debt Services- Hwy Fund. Budgeted amount decreased \$6.0 million or -6.6% from prior fiscal year.	84,524,000	49,669,309 received
Recovery- Debt Service-Sewer Fund. Budgeted amount decreased by \$2.7 million or -51.8% from prior fiscal year.	2,541,000	1,415,570 received
Reimbursement State- Fireboat Operations. Budgeted amount decreased by \$1.2 million or -30.7% from prior fiscal year.	2,715,884	0 received
Recovery- Debt Service- Golf Fund. Budgeted amount decreased by \$1.7 million or -58.8% from prior fiscal year.	1,166,000	351,310 received
Recovery- CASE- Highway Fund. Budgeted amount decreased by \$1.4 million or -10.2% from prior fiscal year.	11,970,900	5,985,450 received
Recovery- CASE- Sewer Fund. Budgeted amount increased by \$3.9 million or 41.4% from prior fiscal year.	13,297,500	6,648,750 received

¹² If RPT – Lock Box, RPT Mortgage Company, and RPT EPay had been included in this figure, the total as of 12/31/14 would be \$496,809,814.

IV. Executive Capital Budget

Fiscal Year 2013 Fund Expenditure Status For the 24-Month Period Ending 06/30/14

This is a comparison of actual versus budgeted revenues and expenditures for the executive capital budget over the 24-month effective appropriation period for the FY 2013 capital budget that runs from July 1, 2012 through June 30, 2014, beyond which date appropriations that were not yet encumbered or expended lapsed pursuant to charter.¹³ The review is based on information in the executive capital budget ordinance for the most recent appropriation period (Ordinance 12-20) and an accounting report from the Department of Budget and Fiscal Services for the period ending June 30, 2014.

Overview:

- In FY 2013, the largest appropriation lapse was from the Koolauloa Affordable Housing Initiative program, where 100 percent of the \$5.6 million appropriation lapsed.
- The budget function that experienced the highest rate of appropriation lapses, excluding federal funds, was Human Services where 99.9 percent lapsed. Among significant fund sources, it was the Solid Waste Improvement Bond Fund at 31.1 percent.¹⁴
- The City continues to expend or encumber close to 100 percent of the funds appropriated by the Council for the Rehabilitation of Streets project. In FY 2013, of the \$98 million appropriated from Highway Improvement Bond Fund, only \$420 lapsed.

¹³ Federal grant funds are excluded from this review of lapses because federal appropriations do not lapse when city funds lapse.

¹⁴ The lapse from the budget source Utilities Share was 57.9%; however, only \$100,000 was appropriated from this source.

A. Major Project Lapses

In Table IV-1 below, we have highlighted the major project lapses for FY 2013, based on the detailed information in Table IV-3. The criteria were:

- (1) Projects having an adjusted appropriation by fund of \$1 million or more from non-state and non-federal funds; and
- (2) Lapses of 60 percent or more of that adjusted appropriation as incurred at the end of the 24-month period.¹⁵

The following projects, organized by function, met the above criteria:

Table IV-1. Major Project Lapses

Function/Project	Adjusted Appropriation	Lapsed Amount	Percent of Appropriation
Public Safety/Traffic Signal Maintenance Facility	\$1,000,000	\$886,649	88.7%
Sanitation/Kapaa-Kalaheo Landfill Gas Flare System	1,100,000	1,000,000	90.9%
Sanitation/Keehi Transfer Station – Fuel Station Renovation	1,000,000	1,000,000	100%
Sanitation/Refuse Facilities Improvements at Various Locations	1,350,000	1,099,347	81.4%
Sanitation/Ahuimanu Wastewater Preliminary Treatment Facility Force Main	2,202,000	1,502,000	68.2%
Sanitation/Chinatown Sewer Rehabilitation	1,003,000	1,003,000	100%
Sanitation/Community Sewer Rehabilitation Plan	2,950,000	2,950,000	100%

¹⁵ Federal Grant and Community Development Funds are excluded from the highlight.

Table IV-1. Major Project Lapses

Function/Project	Adjusted Appropriation	Lapsed Amount	Percent of Appropriation
Sanitation/Iwilei-Kalihi Kai Sewer Rehabilitation and Reconstruction	1,002,000	1,002,000	100%
Sanitation/Lualualei Wastewater Pump Station Force Main	1,202,000	782,000	65.1%
Sanitation/Palolo Valley Sewer Rehabilitation	1,003,000	993,700	99.1%
Sanitation/Sewer Condition Assessment Program	3,000,000	3,000,000	100%
Sanitation/Waimanalo Wastewater Treatment Plant and Collection System Upgrade	1,000,000	1,000,000	100%
Sanitation/Wastewater Facilities Replacement Reserve	5,000,000	4,319,676	86.4%
Human Services/Family Justice Center	2,000,000	1,992,907	99.6%
Human Services/Koolauloa Affordable Housing Initiative Program	5,600,000	5,600,000	100%
Culture-Recreation/Heeia Community Park Pavilion	1,000,000	1,000,000	100%
Culture-Recreation/Kahuku Mauka Agricultural Lands	1,500,000	1,500,000	100%
Culture-Recreation/Patsy T. Mink Central Oahu Regional Park	2,000,000	2,000,000	100%
Culture-Recreation/Recreation District No. 2 Improvements	1,200,000	941,891	78.5%
Culture-Recreation/Senator Fong's Plantation Garden	1,100,000	1,100,000	100%
Culture-Recreation/Waimanalo Bay Beach Park Master Plan	2,000,000	2,000,000	100%

B. Major Project Adjustments

In Table IV-2 below, we have highlighted the major project adjustments for FY 2013, based on the detailed information in Table IV-3. Adjustments either increase or decrease the authorized appropriation for a project. Authority in the budget ordinance for such adjustments include the Project Adjustments Account (a project contained in the General Government function, Staff Agencies program) and related proviso which allow the unused portion of a project appropriation to be transferred to another project for which appropriations are less than needed, a proviso relating to limited purpose monies, and a proviso allowing sewer project transfers to protect public health and safety or to meet federal or state requirements.

The highlight criterion was projects having an adjustment of \$500,000 or more, up or down, to the initial appropriation established by ordinance. The following table, comparing the original appropriation to the amount of the adjustment, shows projects that met this criterion:

Table IV-2. Major Project Adjustments

Function	Project	Ord 12-20 Appropriation	Adjustment Amount
General Government	Kapolei Consolidated Corporation Yard	\$3,400,000	-\$850,236
Public Safety	Traffic Signals at Various Locations	3,500,000	620,204 ¹⁶
Utilities	Bus and Handi-Van Acquisition Program	14,668,000	12,000,000 ¹⁷

¹⁶ Federal Grants Fund Adjustments only

¹⁷ Federal Grants Fund Adjustments only

C. Detailed Results by Function

Table IV-3 displays all of the projects in the FY 2013 executive capital budget ordinance. For each project, the following information is provided regarding its status at the end of the 24-month period:

- (1) Total appropriated amount as shown in the budget ordinance, as amended.
- (2) The total appropriated amount as may be adjusted by any applicable grants, whether from state or federal sources, or by transfers to or from other projects. The adjusted amount may be higher than the initial appropriation if the grant adds to the amount appropriated. In rare instances, the adjusted amount may be lower than the appropriation. That may occur if the grant was anticipated at the time of appropriation but the amount received was less, or if funds were transferred elsewhere.
- (3) The amount of the adjusted appropriation expended and/or encumbered during the 24-month period.
- (4) The amount of the adjusted appropriation that lapsed at the end of the 24-month period.

We have highlighted the major project lapses for FY 2013, based on the following:

- (1) Projects having adjusted appropriations by fund of \$1 million or more from non-state and non-federal funds; and
- (2) Lapses of 60 percent or more of that adjusted appropriation as incurred at the end of the 24-month period.¹⁸

All fund sources for the same project are summed in making these selections.

¹⁸ Federal Grant and Community Development Funds are excluded from the highlight.

**Table IV-3
EXECUTIVE CAPITAL BUDGET FOR FY 2013
24 Month Period Ending June 30, 2014**

Proj. Num.	Project Title	Fund	Approp.	Adjusted Approp.	Expended/ Encumbered	Lapsed	Percent Lapsed
<u>GENERAL GOVERNMENT</u>							
STAFF AGENCIES							
1998602	PROCUREMENT OF MAJOR EQUIPMENT	GI	2,559,000	2,559,000	2,301,224	257,776	10.1%
1998602	PROCUREMENT OF MAJOR EQUIPMENT	WB	8,956,000	8,956,000	5,753,413	3,202,587	35.8%
1998602	PROCUREMENT OF MAJOR EQUIPMENT	CP	5,383,000	5,383,000	5,051,973	331,027	6.1%
1998602	PROCUREMENT OF MAJOR EQUIPMENT	CP	3,042,000	3,042,000	2,891,360	150,640	5.0%
1998602	PROCUREMENT OF MAJOR EQUIPMENT	CP	505,000	505,000	432,536	72,464	14.3%
1998602	PROCUREMENT OF MAJOR EQUIPMENT	CP	195,000	195,000	165,975	29,025	14.9%
1979110	PROJECT ADJUSTMENTS ACCOUNT	GI	1,000	451,236	-	451,236	100.0%
1979110	PROJECT ADJUSTMENTS ACCOUNT	HI	1,000	1,000	-	1,000	100.0%
1979110	PROJECT ADJUSTMENTS ACCOUNT	CP	1,000	1,000	-	1,000	100.0%
2002750	INTEGRATED FIN & HUM RESOURCE SYS (FIN ACCT SYS)	GI	435,000	435,000	380,761	54,239	12.5%
PUBLIC FACILITIES--ADDITIONS AND IMPROVEMENTS							
1998007	ENERGY CONSERVATION IMPROVEMENTS	GI	500,000	500,000	466,151	33,849	6.8%
1995006	KAPOLEI CONSOLIDATED CORPORATION YARD	GI	3,400,000	2,549,764	2,429,851	119,913	4.7%
2009025	MANANA CORPORATION YARD IMPROVEMENTS	HI	200,000	200,000	200,000	-	0.0%
2004050	NATL POL DSCHRG ELIM SYS (NPDES) FOR CORP YD	HI	2,000,000	2,000,000	2,000,000	-	0.0%
1987042	PUBLIC BUILDING FACILITIES IMPROVEMENTS	FG	-	408,000	404,553	3,447	0.8%
1987042	PUBLIC BUILDING FACILITIES IMPROVEMENTS	GI	2,500,000	2,500,000	2,479,791	20,209	0.8%
2002080	TELECOMMUNICATIONS FACILITIES UPGRADE	GI	2,500,000	2,500,000	2,500,000	-	0.0%
	WAHIAWA CORPORATION YARD IMPROVEMENTS	GI	300,000	300,000	-	300,000	100.0%
PUBLIC FACILITIES-IMPROVEMENTS--LAND ACQUISITIONS							
1971153	LAND EXPENSES	CP	200,000	200,000	195,640	4,360	2.2%
	Capital Projects Fund	CP	9,326,000	9,326,000	8,737,484	588,516	6.3%
	Federal Grants Fund	FG	-	408,000	404,553	3,447	0.8%
	General Improvement Bond Fund	GI	12,195,000	11,795,000	10,557,778	1,237,222	10.5%
	Highway Improvement Bond Fund	HI	2,201,000	2,201,000	2,200,000	1,000	0.0%
	Solid Waste Improvement Bond Fund	WB	8,956,000	8,956,000	5,753,413	3,202,587	35.8%
	TOTAL GENERAL GOVERNMENT		32,678,000	32,686,000	27,653,228	5,032,772	15.4%

Table IV-3 (continued)
EXECUTIVE CAPITAL BUDGET FOR FY 2013
 24 Month Period Ending June 30, 2014

Proj. Num.	Project Title	Fund	Approp.	Adjusted Approp.	Expended/ Encumbered	Lapsed	Percent Lapsed
PUBLIC SAFETY							
POLICE STATIONS AND BUILDINGS							
2007020	HPD NPDES SMALL MS4 PERMIT PROGRAM	GI	390,000	390,000	390,000	-	0.0%
2009034	MICROWAVE RADIO SPUR EQUIP AND FAC UPGRADE	GI	275,000	275,000	274,722	278	0.1%
2002025	POLICE STATIONS BUILDINGS IMPROVEMENTS	GI	2,000,000	2,000,000	1,977,026	22,974	1.1%
2006034	UPGRADE SEC CAMERA SYS AT VARIOUS POLICE FAC	GI	530,000	530,000	530,000	-	0.0%
2006039	WAIANA E POLICE STATION REPLACEMENT	GI	5,650,000	5,650,000	5,650,000	-	0.0%
POLICE							
2005028	HPD EQUIPMENT ACQUISITION	GI	3,365,000	3,365,000	3,364,999	1	0.0%
FIRE STATIONS AND BUILDINGS							
2003029	CHARLES H. THURSTON TRAINING CENTER (HFD TRAINING	GI	100,000	100,000	-	100,000	100.0%
1976166	EWA BEACH FIRE STATION RELOCATION (OCEAN POINTE)	GI	100,000	100,000	63,210	36,790	36.8%
1998021	FIRE STATION BUILDINGS IMPROVEMENTS	GI	2,000,000	2,000,000	1,985,523	14,477	0.7%
2007012	HFD NPDES SMALL MS4 PERMIT PROGRAM	GI	425,000	425,000	420,304	4,696	1.1%
FIRE							
2005021	HONOLULU FIRE DEPARTMENT EQUIPMENT ACQUISITION	GI	2,500,000	2,500,000	2,500,000	-	0.0%
2005021	HONOLULU FIRE DEPARTMENT EQUIPMENT ACQUISITION	CD	1,625,000	1,625,000	1,615,516	9,484	0.6%
TRAFFIC IMPROVEMENTS							
1999311	COMPUTERIZED TRAFFIC CONTROL SYSTEM	HI	700,000	700,000	250,000	450,000	64.3%
1999311	COMPUTERIZED TRAFFIC CONTROL SYSTEM	FG	2,700,000	2,730,000	1,127,804	1,602,196	58.7%
	KILI DRIVE ACQUISITION, MAKAHA (TMK: 8-4-02:58, 8-4-02:4	GI	200,000	200,000	-	200,000	100.0%
	LOCALIZED ROADWAY IMPROVEMENTS	GI	50,000	50,000	-	50,000	100.0%
2010026	PEDESTRIAN SAFETY IMPROVEMENTS	FG	1,465,000	1,465,000	-	1,465,000	100.0%
2010030	TRAFFIC ENGINEERING DEVICES AT VARIOUS LOCATIONS	GI	75,000	75,000	75,000	-	0.0%
2010030	TRAFFIC ENGINEERING DEVICES AT VARIOUS LOCATIONS	HI	1,000,000	1,000,000	996,973	3,027	0.3%
1996306	TRAFFIC IMPROVEMENTS AT VARIOUS LOCATIONS	HI	1,038,000	1,038,000	500,285	537,715	51.8%
1996306	TRAFFIC IMPROVEMENTS AT VARIOUS LOCATIONS	FG	1,578,000	1,857,540	1,166,985	690,555	37.2%
2006016	TRAFFIC SIGNAL MAINTENANCE FACILITY	HI	1,000,000	1,000,000	113,351	886,649	88.7%
2006016	TRAFFIC SIGNAL MAINTENANCE FACILITY	FG	4,000,000	4,000,000	-	4,000,000	100.0%
2007001	TRAFFIC SIGNAL OPTIMIZATION	FG	500,000	500,000	-	500,000	100.0%
2007001	TRAFFIC SIGNAL OPTIMIZATION	CP	101,000	101,000	-	101,000	100.0%
1999312	TRAFFIC SIGNALS AT VARIOUS LOCATIONS	HI	698,000	698,000	352,590	345,410	49.5%
1999312	TRAFFIC SIGNALS AT VARIOUS LOCATIONS	FG	3,500,000	4,120,204	1,222	4,118,982	100.0%
2003223	WAIPIO POINT ACCESS ROAD IMPROVEMENTS	HI	100,000	100,000	-	100,000	100.0%
2003223	WAIPIO POINT ACCESS ROAD IMPROVEMENTS	FG	400,000	400,000	-	400,000	100.0%
FLOOD CONTROL							
2000101	FLOOD CONTROL IMPR AT VARIOUS LOCATIONS	GI	1,731,000	1,831,000	1,831,000	-	0.0%
2004020	HALAWA STREAM DREDGING	GI	100,000	100,000	-	100,000	100.0%
	KAHUKU FLOOD REMEDIATION	GI	500,000	500,000	-	500,000	100.0%
1998503	KAPUNAHALA STREAM FLOOD CONTROL PROJECT	GI	200,000	200,000	200,000	-	0.0%
1998503	KAPUNAHALA STREAM FLOOD CONTROL PROJECT	FG	-	81,106	-	81,106	100.0%
	LUALUALEI FLOOD CONTROL IMPROVEMENTS	GI	700,000	700,000	-	700,000	100.0%
	MAKAHA FLOOD CONTROL IMPROVEMENTS	GI	500,000	500,000	-	500,000	100.0%
1994514	WAILELE STREAM FLOOD CONTROL STUDY, LAIE, TMK: 5-1	GI	165,000	165,000	153,375	11,625	7.0%
1994514	WAILELE STREAM FLOOD CONTROL STUDY, LAIE, TMK: 5-1	CP	165,000	165,000	153,375	11,625	7.0%
OTHER PROTECTION-MISCELLANEOUS							
2005002	DRAINAGE OUTFALL IMPROVEMENTS	GI	295,000	295,000	278,432	16,568	5.6%
2013087	PUHAWAI ROAD CULVERT DRAINAGE IMPROVEMENTS	CP	2,000,000	2,000,000	150,000	1,850,000	92.5%
2001154	ROCK SLIDE POTENTIAL INSP AND MITIGATIVE IMPRV	HI	2,070,000	2,070,000	1,860,953	209,047	10.1%
	Capital Projects Fund	CP	2,266,000	2,266,000	303,375	1,962,625	86.6%
	Community Development Fund	CD	1,625,000	1,625,000	1,615,516	9,484	0.6%
	Federal Grants Fund	FG	14,143,000	15,153,850	2,296,011	12,857,839	84.8%
	General Improvement Bond Fund	GI	21,851,000	21,951,000	19,693,591	2,257,409	10.3%
	Highway Improvement Bond Fund	HI	6,606,000	6,606,000	4,074,152	2,531,848	38.3%
TOTAL PUBLIC SAFETY			46,491,000	47,601,850	27,982,645	19,619,205	41.2%

Table IV-3 (continued)
 EXECUTIVE CAPITAL BUDGET FOR FY 2013
 24 Month Period Ending June 30, 2014

Proj. Num.	Project Title	Fund	Approp.	Adjusted Approp.	Expended/ Encumbered	Lapsed	Percent Lapsed
HIGHWAYS AND STREETS							
BIKEWAYS AND BIKE PATHS							
1979063	BICYCLE PROJECTS	FG	960,000	1,001,600	659,967	341,633	34.1%
1979063	BICYCLE PROJECTS	CP	342,000	342,000	323,134	18,866	5.5%
HIGHWAYS, STREETS AND ROADWAYS							
1988001	CURB RAMPS AT VARIOUS LOCATIONS, OAHU	HI	2,000,000	2,000,000	2,000,000	-	0.0%
1998515	GUARDRAIL IMPROVEMENTS	HI	301,000	301,000	144,774	156,226	51.9%
2011092	HALEIWA WALKWAY IMPROVEMENTS	HI	2,835,000	2,835,000	2,835,000	-	0.0%
2004015	HIGHWAY STRUCTURE IMPROVEMENTS	HI	363,000	363,000	130,165	232,835	64.1%
	LILIPUNA ROAD PEDESTRIAN SAFETY IMPROVEMENTS	HI	500,000	500,000	-	500,000	100.0%
1998537	RECONSTRUCTION OF CONCRETE SIDEWALKS	HI	1,000,000	1,000,000	994,273	5,727	0.6%
1997502	REHABILITATION OF STREETS	HI	98,000,000	98,000,000	97,999,580	420	0.0%
1997502	REHABILITATION OF STREETS	CP	2,000,000	2,000,000	-	2,000,000	100.0%
1991064	UTILITY SHARE EXPENSES	UT	100,000	100,000	42,072	57,928	57.9%
1995515	WAIKIKI IMPROVEMENTS	HI	800,000	800,000	800,000	-	0.0%
TRANSPORTATION SERVICES							
2013026	KALAELOA BOULEVARD RESTORATION	HI	1,094,000	1,094,000	1,077,051	16,949	1.5%
2013026	KALAELOA BOULEVARD RESTORATION	FG	688,000	688,000	493,307	194,693	28.3%
2011028	KAPOLEI PARKWAY CONSTRUCTION	CP	2,200,000	2,200,000	1,085,310	1,114,690	50.7%
	MAKAKILO DRIVE EXTENSION	HI	3,000,000	3,000,000	3,000,000	-	0.0%
2011028	KAPOLEI PARKWAY CONSTRUCTION	FG	-	200,000	193,736	6,264	3.1%
	SALT LAKE BOULEVARD WIDENING	FG	-	12,534	12,533	1	0.0%
BRIDGES, VIADUCTS, AND GRADE SEPARATION							
2000060	BRIDGE INSPECTION, INVENTORY AND APPRAISAL	FG	800,000	800,000	665,481	134,519	16.8%
2000060	BRIDGE INSPECTION, INVENTORY AND APPRAISAL	CP	450,000	450,000	430,000	20,000	4.4%
1998520	BRIDGE REHABILITATION AT VARIOUS LOCATIONS	HI	2,120,000	2,120,000	1,866,319	253,681	12.0%
1998517	SEISMIC RETROFIT AT BRIDGES	HI	760,000	760,000	600,050	159,950	21.0%
STORM DRAINAGE							
2000052	DRAINAGE IMPROVEMENTS AT VARIOUS LOCATIONS	HI	750,000	750,000	591,975	158,025	21.1%
2000117	STORM DRAINAGE IMPROVEMENTS	HI	650,000	650,000	649,000	1,000	0.2%
2010051	NPDES MS4 EROSION PRONE AREA IMPROVEMENTS	HI	845,000	845,000	530,000	315,000	37.3%
2001020	STORM DRAINAGE BMP SALT LAKE DRAINAGE SYSTEM	HI	1,320,000	1,320,000	924,044	395,956	30.0%
2003135	STORM DRAIN OUTLETS NEAR ALA WAI CANAL	HI	250,000	250,000	-	250,000	100.0%
STREET LIGHTING							
	KIONAOLE ROAD STREET LIGHTING IMPROVEMENT	GI	100,000	100,000	100,000	-	0.0%
2007043	ST LIGHT METER CAB, TRANSF AND ST LIGHTING IMPRV	HI	200,000	200,000	182,388	17,612	8.8%
2007043	ST LIGHT METER CAB, TRANSF AND ST LIGHTING IMPRV	FG	-	86,311	86,223	88	0.1%
	Capital Projects Fund	CP	4,992,000	4,992,000	1,838,444	3,153,556	63.2%
	Federal Grants Fund	FG	2,448,000	2,788,445	2,111,247	677,198	24.3%
	General Improvement Bond Fund	GI	100,000	100,000	100,000	-	0.0%
	Highway Improvement Bond Fund	HI	116,788,000	116,788,000	114,324,619	2,463,381	2.1%
	Utilities Share	UT	100,000	100,000	42,072	57,928	57.9%
TOTAL HIGHWAYS AND STREETS			124,428,000	124,768,445	118,416,382	6,352,063	5.1%

Table IV-3 (continued)
EXECUTIVE CAPITAL BUDGET FOR FY 2013
 24 Month Period Ending June 30, 2014

Proj. Num.	Project Title	Fund	Approp.	Adjusted Approp.	Expended/ Encumbered	Lapsed	Percent Lapsed
SANITATION							
WASTE COLLECTION AND DISPOSAL							
2005063	KAPAA/KALAHEO LANDFILL GAS FLARE SYSTEM	WB	1,100,000	1,100,000	100,000	1,000,000	90.9%
2007060	KAPAA TRANSFER STATION ROAD RECONSTRUCTION	WB	900,000	900,000	744,139	155,861	17.3%
2007057	KEEHI TRANSFER STATION - FUEL STATION RENOVATION	WB	1,000,000	1,000,000	-	1,000,000	100.0%
2010046	OAHU SECONDARY LANDFILL - SITE SELECTION STUDY	WB	300,000	300,000	300,000	-	0.0%
2010054	REFUSE FACILITIES IMPRV AT VAR LOCATIONS	WB	1,350,000	1,350,000	250,653	1,099,347	81.4%
2012057	SOLID WASTE DIVERSION WEIGHING FACILITY	WB	700,000	700,000	-	700,000	100.0%
2013102	SLD WSTE TO ENRG FAC - IMP PROC SEWAGE SLUDGE	WB	10,000,000	10,000,000	9,600,000	400,000	4.0%
2011047	SOLID WASTE TO ENERGY FACILITY - REHABILITATION	CP	20,000,000	20,000,000	19,998,000	2,000	0.0%
SEWAGE COLLECTION AND DISPOSAL							
2008063	AHUIMANU WW PRELIM TRT FACILITY FORCE MAIN	SR	2,202,000	2,202,000	700,000	1,502,000	68.2%
2013046	AHUIMANU WW PRE-TRT FAC IMP AND EQUAL FACILITY	CP	801,000	801,000	801,000	-	0.0%
2005071	ALA MOANA BLVD/AUAHI ST SEWER REHAB	SR	503,000	503,000	-	503,000	100.0%
2008087	ALA MOANA PARK WASTEWATER PUMP STATION	CP	501,000	501,000	-	501,000	100.0%
2006046	ALA MOANA WW PUMP ST FORCE MAINS NO. 3 AND 4	SR	1,504,000	1,504,000	1,500,000	4,000	0.3%
2013048	ALA MOANA WASTEWATER PUMP STATION UPGRADE	CP	601,000	601,000	601,000	-	0.0%
2008069	ALIAMANU NO.1 AND 2 WW PUMP STN FORCE MAINS	SR	1,003,000	1,003,000	1,001,000	2,000	0.2%
2004088	ALIAMANU NO.1 AND 2 WW PUMP STN UPGRADE SW	SR	201,000	201,000	-	201,000	100.0%
2011046	AWA ST WW PUMP STATION IMPROVEMENTS	SR	502,000	502,000	502,000	-	0.0%
2008070	CHINATOWN SEWER REHABILITATION	SR	1,003,000	1,003,000	-	1,003,000	100.0%
	COMMUNITY SEWER REHABILITATION PLAN	CP	2,950,000	2,950,000	-	2,950,000	100.0%
2009099	DOWSETT HIGHLANDS RELIEF SEWER	SR	501,000	501,000	501,000	-	0.0%
2013050	FORT DERUSSY WW PUMP ST, F MAIN, SW SYS ALTS	CP	501,000	501,000	501,000	-	0.0%
2005073	FOSTER VILLAGE SEWER REHAB/RECONSTRUCTION	SR	501,000	501,000	-	501,000	100.0%
2012047	HART ST WW PUMP ST FORCE MAIN SYS IMPRV	SR	103,000	103,000	-	103,000	100.0%
2009111	HEEIA WASTEWATER PUMP STATION IMPROVEMENTS	SR	451,000	451,000	451,000	-	0.0%
2010062	HELE STREET SEWER RELIEF/REHAB, KAILUA	SR	401,000	401,000	401,000	-	0.0%
2013051	HONOLULU AREA WW PUMP ST FAC IMPROVEMENTS	CP	801,000	801,000	801,000	-	0.0%
2010069	HONOLULU WASTEWATER BASIN ODOR CONTROL	SR	801,000	801,000	801,000	-	0.0%
2012058	HONOLULU WW TRT PLANT SECONDARY TREATMENT	CP	2,001,000	2,001,000	2,001,000	-	0.0%
2007066	IWILEI/KALIHI KAI SEWER REHAB/RECON	SR	1,002,000	1,002,000	-	1,002,000	100.0%
2013054	KAHALA WW PUMP ST AND FORCE MAIN SYS IMP	SR	800,000	800,000	800,000	-	0.0%
2009107	KAHANAHOU WW PUMP ST UPGRADE AND SW IMP	SR	300,000	300,000	300,000	-	0.0%
2006129	KAHAWAI STREAM WW PUMP STATION MODIFICATION	CP	251,000	251,000	-	251,000	100.0%
2012048	KAILUA ROAD WW PUMP ST FORCE MAIN SYS IMPRV	CP	253,000	253,000	251,000	2,000	0.8%
2009109	KAILUA WW TRT PLANT AND SEWER BASIN FACILITIES	CP	500,000	500,000	500,000	-	0.0%
2013103	KAILUA WW TRT PLANT ENERGY IMPROVEMENTS	SR	4,003,000	4,003,000	3,937,858	65,142	1.6%
2013056	KAILUA WW TRT PLANT - TUNNEL INFL AND HEADWORKS	SR	5,002,000	5,002,000	5,000,000	2,000	0.0%
2013057	KAILUA WASTEWATER TREATMENT PLANT UPGRADE	SR	6,002,000	6,002,000	5,448,253	553,747	9.2%
2009113	KALAHEO AVENUE RELIEF SEWER	SR	801,000	801,000	-	801,000	100.0%
2002037	KALANIANA'OLE HIGHWAY SEWER SYS IMP	SR	383,000	383,000	-	383,000	100.0%
2005075	KALIHI/NUUANU AREA SEWER REHABILITATION	SR	2,004,000	2,004,000	2,000,000	4,000	0.2%
2010060	KAM HWY WW PUMP ST UPGRADE, MAPUNAPUNA	SR	801,000	801,000	801,000	-	0.0%
2009108	KANEOHE BAY #2 WW PUMP ST FORCE MAIN	SR	302,000	302,000	300,000	2,000	0.7%
2012050	KANEOHE BAY #3 WW PUMP ST FORCE MAIN	SR	252,000	252,000	250,000	2,000	0.8%
2010068	KANEOHE/KAILUA FORCE MAIN NO.1 REHAB	SR	1,202,000	1,202,000	1,039,000	163,000	13.6%
2006051	KANEOHE/KAILUA FORCE MAIN NO. 2	SR	5,000	5,000	-	5,000	100.0%
2012055	KANEOHE/KAILUA SEWER TUNNEL	SR	148,200,000	148,200,000	148,200,000	-	0.0%
2008091	LUALUALEI WASTEWATER PUMP STATION FORCE MAIN	SR	1,202,000	1,202,000	420,000	782,000	65.1%
2008074	MANOA SEWER RELIEF/REHABILITATION	SR	1,004,000	1,004,000	999,994	4,006	0.4%
2013059	MAUNAWILI WW PUMP ST, FORCE MAIN, SEWER IMP	CP	601,000	601,000	601,000	-	0.0%
1997812	PAC PALISADES WWPS, FCE MN AND DIV SEWER LINE	CP	303,000	303,000	301,000	2,000	0.7%
2008078	PALOLO VALLEY SEWER REHABILITATION	SR	1,003,000	1,003,000	9,300	993,700	99.1%
2013060	PEARL CITY WWPS, FORCE MAIN, SYS ALTERNATIVES	CP	601,000	601,000	601,000	-	0.0%
2001124	PROJECT MANAGEMENT FOR WASTEWATER PROJECTS	CP	7,358,661	7,358,661	5,812,614	1,546,047	21.0%
2013061	PUNAWAI WWPS AND FORCE MAIN SYS IMP, KANEOHE	CP	401,000	401,000	401,000	-	0.0%
2010049	SAND ISLAND WW BASIN ODOR CONTROL	SR	1,002,000	1,002,000	1,000,000	2,000	0.2%
2009112	SAND ISLAND WW TR PLANT AND SEWER BASIN FAC	CP	3,001,000	3,001,000	3,001,000	-	0.0%
1994511	SAND ISLAND WW TR PLANT EXP, PRIMARY TR	SR	2,003,000	2,003,000	2,000,000	3,000	0.1%
2009102	SAND ISLAND WW TR PLANT OUTFALL IMPRV/REHAB	SR	501,000	501,000	500,000	1,000	0.2%

Table IV-3 (continued)
 EXECUTIVE CAPITAL BUDGET FOR FY 2013
 24 Month Period Ending June 30, 2014

Proj. Num.	Project Title	Fund	Approp.	Adjusted Approp.	Expended/ Encumbered	Lapsed	Percent Lapsed
2012054	SAND ISLAND WW TR PLANT SOLIDS HANDLING	SR	21,500,000	21,500,000	21,466,406	33,594	0.2%
2007068	SEWER CONDITION ASSESSMENT PROGRAM	CP	3,000,000	3,000,000	-	3,000,000	100.0%
2013063	SEWER I/I RELIEF AND REHAB PROJ - ALA MOANA TRIB	CP	1,001,000	1,001,000	1,001,000	-	0.0%
2013064	SEWER I/I RELIEF AND REHAB PROJ - HART ST TRIB	CP	1,001,000	1,001,000	1,001,000	-	0.0%
2013065	SEWER I/I RELIEF AND REHAB PROJ - LEEWARD AREA	CP	501,000	501,000	501,000	-	0.0%
2013066	SEWER I/I RELIEF AND REHAB PROJ - WINDWARD AREA	CP	501,000	501,000	501,000	-	0.0%
2000071	SEWER MAINLINE AND LATERAL PROJECTS	CP	14,302,000	14,302,000	13,759,101	542,899	3.8%
2008079	UWALU WWPS UPGRADE	SR	101,000	101,000	101,000	-	0.0%
2013069	WAHIAWA, WHITMORE, MAKAKILO WWPS FAC IMPRV	SR	500,000	500,000	500,000	-	0.0%
2010047	WAIANAE WW FACILITIES PLAN	CP	600,000	600,000	-	600,000	100.0%
2007070	WAIU AREA SEWER REHAB/RECONSTRUCTION	SR	12,802,000	12,802,000	9,639,342	3,162,658	24.7%
2006055	WAIKAPOKI WWPS UPGRADE	SR	351,000	351,000	351,000	-	0.0%
2013068	WAIMALU WWPS MODIFICATION/UPGRADE	CP	501,000	501,000	501,000	-	0.0%
	WAIMANALO WW TRT PLANT AND COL SYST UPGRADE	SR	1,000,000	1,000,000	-	1,000,000	100.0%
2000038	WASTEWATER EQUIPMENT	CP	7,989,325	7,989,325	5,773,154	2,216,171	27.7%
1998806	WASTEWATER FACILITIES REPLACEMENT RESERVE	CP	5,000,000	5,000,000	680,324	4,319,676	86.4%
2003151	WASTEWATER PLANNING AND PROGRAMMING	CP	233,083	233,083	158,173	74,910	32.1%
2007073	WASTEWATER PROGRAM MANAGEMENT	CP	5,001,000	5,001,000	5,001,000	-	0.0%
2001062	WW TR PLANT, PUMP ST, AND FORCE MAIN PROJECTS	CP	11,101,000	11,101,000	11,101,000	-	0.0%
2013101	WINDWARD AREA WWPS FAC IMPROVEMENTS	CP	801,000	801,000	801,000	-	0.0%
	Capital Projects Fund	CP	92,958,069	92,958,069	76,950,366	16,007,703	17.2%
	Sewer Revenue Bond Fund	SR	223,704,000	223,704,000	210,920,153	12,783,847	5.7%
	Solid Waste Improvement Bond Fund	WB	15,350,000	15,350,000	10,994,792	4,355,208	28.4%
	TOTAL SANITATION		332,012,069	332,012,069	298,865,311	33,146,758	10.0%

Table IV-3 (continued)
 EXECUTIVE CAPITAL BUDGET FOR FY 2013
 24 Month Period Ending June 30, 2014

Proj. Num.	Project Title	Fund	Approp.	Adjusted Approp.	Expended/ Encumbered	Lapsed	Percent Lapsed
HUMAN SERVICES							
HUMAN SERVICES							
2007076	COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROG	CD	5,905,265	5,905,265	1,347,135	4,558,130	77.2%
2007076	COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROG	FG	-	15,774	15,735	39	0.2%
1995207	EMERGENCY SHELTER GRANTS PROGRAM	FG	760,815	1,001,015	959,697	41,318	4.1%
1995207	EMERGENCY SHELTER GRANTS PROGRAM	CD	423,832	423,832	423,832	-	0.0%
	FAMILY JUSTICE CENTER	CP	2,000,000	2,000,000	7,093	1,992,907	99.6%
2007077	HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM	FG	3,841,450	3,841,450	1,841,286	2,000,164	52.1%
2000119	HOUSING OPPOR FOR PERSONS WITH AIDS (HOPWA)	FG	512,359	512,359	511,326	1,033	0.2%
	KOOLAULOA AFFORDABLE HOUSING INITIATIVE PROG	CP	5,600,000	5,600,000	-	5,600,000	100.0%
	Capital Projects Fund	CP	7,600,000	7,600,000	7,093	7,592,907	99.9%
	Community Development Fund	CD	6,329,097	6,329,097	1,770,967	4,558,130	72.0%
	Federal Grants Fund	FG	5,114,624	5,370,598	3,328,044	2,042,554	38.0%
	TOTAL HUMAN SERVICES		19,043,721	19,299,695	5,106,104	14,193,591	73.5%

Table IV-3 (continued)
 EXECUTIVE CAPITAL BUDGET FOR FY 2012
 24 Month Period Ending June 30, 2013

Proj. Num.	Project Title	Fund	Approp.	Adjusted Approp.	Expended/ Encumbered	Lapsed	Percent Lapsed
CULTURE-RECREATION							
PARTICIPANT, SPECTATOR AND OTHER RECREATION							
1998107	ALA MOANA REGIONAL PARK(TMK: 2-3-37:01; 42.7 ACRES)	GI	165,000	165,000	165,000	-	0.0%
	CANOE HALAU AT VARIOUS PARKS	GI	565,000	565,000	4,990	560,010	99.1%
2007054	DPR NPDES SMALL MS4 PERMIT PROGRAM	GI	440,000	440,000	-	440,000	100.0%
	DIVISION OF URBAN FORESTRY IMPROVEMENTS	GI	200,000	200,000	-	200,000	100.0%
	ENCHANTED LAKE PLAYCOURT RESURFACING	GI	50,000	50,000	-	50,000	100.0%
	EWA MAHIKO DIS PK (TMK 9-1-17-051 POR., etc.)	GI	50,000	50,000	-	50,000	100.0%
	GALBRAITH ESTATE	CP	2,000,000	2,000,000	2,000,000	-	0.0%
	HALEIWA BEACH PARK REFURBISHMENT	GI	250,000	250,000	-	250,000	100.0%
1973059	HANAUMA BAY NAT PRES (TMK: 3-9-12:02; 50 ACRES)	GI	1,000,000	1,000,000	999,293	707	0.1%
2010074	HANAUMA BAY NPDES SMALL MS4 PERMIT PROGRAM	GI	615,000	615,000	-	615,000	100.0%
	HEEIA COMMUNITY PARK PAVILION	GI	1,000,000	1,000,000	-	1,000,000	100.0%
	HOKUAHIAHI NEIGHBORHOOD PARK	GI	225,000	225,000	-	225,000	100.0%
	KAHUA O WAIKALUA DOG PARK IMPROVEMENTS	GI	50,000	50,000	-	50,000	100.0%
	KAHUKU MAUKA AGRICULTURAL LANDS	CP	1,500,000	1,500,000	-	1,500,000	100.0%
	KALAUAO VALLEY	CP	578,250	578,250	-	578,250	100.0%
2010077	KUALOA REG PK-RECON OF WASTEWATER SYSTEM	GI	2,980,000	2,980,000	2,800,000	180,000	6.0%
	MAUNAWILA HEIAU	CP	650,000	650,000	650,000	-	0.0%
	MCCULLY DISTRICT PARK - PLAY APPARATUS	GI	100,000	100,000	-	100,000	100.0%
	MILLANI MAUKA DISTRICT PARK	GI	550,000	550,000	-	550,000	100.0%
2008046	MITIGATIVE IMPROVEMENTS AT PARKS	GI	500,000	500,000	463,441	36,559	7.3%
	NANAKULI BEACH PARK (TMK: 8-9-01:02; 39.63 ACRES)	GI	170,000	170,000	-	170,000	100.0%
	NIU VALLEY NEIGHBORHOOD PARK - PLAY APPARATUS	GI	250,000	250,000	39,000	211,000	84.4%
	ONEULA BEACH PK, EWA BCH (TMK: 9-1-12:25; 30 ACRES)	GI	80,000	80,000	-	80,000	100.0%
1998040	PATSY T. MINK CENTRAL OAHU REGIONAL PARK	GI	2,000,000	2,000,000	-	2,000,000	100.0%
1998105	RECONSTRUCT WASTEWATER SYSTEMS FOR PARKS	GI	500,000	500,000	495,000	5,000	1.0%
1998128	RECREATION DISTRICT NO. 1 IMPROVEMENTS	GI	1,300,000	1,300,000	867,282	432,718	33.3%
1998129	RECREATION DISTRICT NO. 2 IMPROVEMENTS	GI	1,200,000	1,200,000	258,109	941,891	78.5%
1998130	RECREATION DISTRICT NO. 3 IMPROVEMENTS	GI	1,000,000	1,000,000	754,909	245,091	24.5%
1998131	RECREATION DISTRICT NO. 4 IMPROVEMENTS	GI	1,000,000	1,000,000	689,410	310,590	31.1%
2005117	RECREATION DISTRICT NO. 5 IMPROVEMENTS	GI	230,000	230,000	229,867	133	0.1%
	RECREATION DISTRICT NO. 5 RE-ORGANIZATION	GI	400,000	400,000	-	400,000	100.0%
2002072	RENOVATE RECREATIONAL FACILITIES	GI	4,000,000	4,000,000	2,973,959	1,026,041	25.7%
2002072	RENOVATE RECREATIONAL FACILITIES	CP	628,000	628,000	46,125	581,875	92.7%
	SENATOR FONG'S PLANTATION GARDEN	CP	1,100,000	1,100,000	-	1,100,000	100.0%
	WAIANAE DISTRICT PARK (TMK: 8-5-02: 49; 23.9 ACRES)	GI	50,000	50,000	-	50,000	100.0%
	WAIMANALO BAY BEACH PARK MASTER PLAN	GI	2,000,000	2,000,000	-	2,000,000	100.0%
	MAKIKI LIBRARY RENOVATIONS	FG	-	18,428	786	17,642	95.7%
SPECIAL RECREATION FACILITIES							
2008028	BLAISDELL CENTER - ARENA DRESSING ROOMS	GI	1,100,000	1,200,000	1,200,000	-	0.0%
2007019	DES NPDES SMALL MS4 PERMIT PROGRAM	GI	100,000	100,000	-	100,000	100.0%
1999012	ENTERPRISE FACILITIES IMPROVEMENTS	GI	500,000	550,000	549,938	62	0.0%
2001053	GOLF COURSE IMPROVEMENTS	GI	524,000	524,000	322,786	201,214	38.4%
2009038	HONOLULU ZOO - HIPPO FILTRATION SYSTEM	GI	1,600,000	1,700,000	1,600,000	100,000	5.9%
2001097	HONOLULU ZOO IMPROVEMENTS	GI	500,000	550,000	549,119	881	0.2%
2007044	HONOLULU ZOO - REPTILE/AMPHIBIAN COMPLEX	GI	300,000	300,000	300,000	-	0.0%
2007025	TED MAKALENA GOLF COURSE - NEW CART PATHS	GI	565,000	565,000	544,067	20,933	3.7%
	Capital Projects Fund	CP	6,456,250	6,456,250	2,696,125	3,760,125	58.2%
	General Improvement Bond Fund	GI	28,109,000	28,409,000	15,806,170	12,602,830	44.4%
	Federal Grants Fund	FG	-	18,428	786	17,642	95.7%
	TOTAL CULTURE-RECREATION		34,565,250	34,883,678	18,503,081	16,380,597	47.0%

Table IV-3 (continued)
EXECUTIVE CAPITAL BUDGET FOR FY 2012
24 Month Period Ending June 30, 2013

Proj. Num.	Project Title	Fund	Approp.	Adjusted Approp.	Expended/ Encumbered	Lapsed	Percent Lapsed
<u>UTILITIES OR OTHER ENTERPRISES</u>							
MASS TRANSIT							
2006018	ALAPAI TRANSPORTATION MANAGEMENT CENTER	HI	941,000	941,000	587,426	353,574	37.6%
2006018	ALAPAI TRANSPORTATION MANAGEMENT CENTER	FG	3,762,000	3,762,000	2,000,000	1,762,000	46.8%
1978005	BUS AND HANDI-VAN ACQUISITION PROGRAM	HI	7,229,000	7,229,000	6,930,023	298,977	4.1%
1978005	BUS AND HANDI-VAN ACQUISITION PROGRAM	FG	14,668,000	26,668,000	25,837,654	830,346	3.1%
2002501	BUS REHABILITATION	CP	750,000	750,000	548,302	201,698	26.9%
2001116	BUS STOP ADA ACCESS IMPROVEMENTS	HI	530,000	530,000	530,000	-	0.0%
2001116	BUS STOP ADA ACCESS IMPROVEMENTS	FG	368,000	368,000	-	368,000	100.0%
2001120	BUS STOP PAD IMPROVEMENTS	HI	669,000	669,000	-	669,000	100.0%
2001120	BUS STOP PAD IMPROVEMENTS	FG	306,000	306,000	-	306,000	100.0%
2003007	BUS STOP SITE IMPROVEMENTS	HI	500,000	500,000	499,965	35	0.0%
2003007	BUS STOP SITE IMPROVEMENTS	FG	332,000	332,000	-	332,000	100.0%
2006004	KALIHI-PALAMA BUS FACILITY IMPROVEMENTS	HI	122,000	122,000	50,000	72,000	59.0%
2006001	PEDESTRIAN - TRANSIT CONNECTIONS	HI	281,000	281,000	-	281,000	100.0%
2008036	TRANSIT SAFETY AND SECURITY PROJECTS	HI	86,000	86,000	69,792	16,208	18.8%
2008036	TRANSIT SAFETY AND SECURITY PROJECTS	FG	330,000	330,000	161,000	169,000	51.2%
	Capital Projects Fund	CP	750,000	750,000	548,302	201,698	26.9%
	Federal Grants Fund	FG	19,766,000	31,766,000	27,998,654	3,767,346	11.9%
	Highway Improvement Bond Fund	HI	10,358,000	10,358,000	8,667,206	1,690,794	16.3%
	TOTAL UTILITIES OR OTHER ENTERPRISES		30,874,000	42,874,000	37,214,162	5,659,838	13.2%

D. Summary of Results

In Table IV-4 below, the results are summarized by budget function (e.g. General Government, Public Safety, etc.) and by fund source. Among other things, this summary reveals which budget functions and fund sources are subject to large lapses in appropriations.

As shown in the table, among budget function areas, the Human Services function had the largest relative lapses at 73.5 percent of adjusted appropriations. That distinction holds with or without Federal Grants included in the calculation. That is because of the amount of funding that lapsed from two projects funded from the Capital Projects fund (specifically, the Affordable Housing fund): the Family Justice Center and the Koolauloa Affordable Housing Initiative Program (a \$7,592,907 lapse). Among fund sources, the Capital Projects Fund had the largest total lapse of all of the fund sources at \$33.3 million.

Table IV-4
Executive Capital Budget FY 2013
Summary of Results by Function and Fund

		Approp.	Adjusted Approp.	Expended/ Encumbered	Lapsed	Percent Lapsed
General Government						
Capital Projects Fund	CP	9,326,000	9,326,000	8,737,484	588,516	6.3%
Federal Grants Fund	FG	-	408,000	404,553	3,447	0.8%
General Improvement Bond Fund	GI	12,195,000	11,795,000	10,557,778	1,237,222	10.5%
Highway Improvement Bond Fund	HI	2,201,000	2,201,000	2,200,000	1,000	0.0%
Solid Waste Improvement Bond Fund	WB	8,956,000	8,956,000	5,753,413	3,202,587	35.8%
Total		32,678,000	32,686,000	27,653,228	5,032,772	15.4%
Public Safety						
Capital Projects Fund	CP	2,266,000	2,266,000	303,375	1,962,625	86.6%
Community Development Fund	CD	1,625,000	1,625,000	1,615,516	9,484	0.6%
Federal Grants Fund	FG	14,143,000	15,153,850	2,296,011	12,857,839	84.8%
General Improvement Bond Fund	GI	21,851,000	21,951,000	19,693,591	2,257,409	10.3%
Highway Improvement Bond Fund	HI	6,606,000	6,606,000	4,074,152	2,531,848	38.3%
Total		46,491,000	47,601,850	27,982,645	19,619,205	41.2%
Highways and Streets						
Capital Projects Fund	CP	4,992,000	4,992,000	1,838,444	3,153,556	63.2%
Federal Grants Fund	FG	2,448,000	2,788,445	2,111,247	677,198	24.3%
General Improvement Bond Fund	GI	100,000	100,000	100,000	-	0.0%
Highway Improvement Bond Fund	HI	116,788,000	116,788,000	114,324,619	2,463,381	2.1%
Utilities Share	UT	100,000	100,000	42,072	57,928	57.9%
Total		124,428,000	124,768,445	118,416,382	6,352,063	5.1%
Sanitation						
Capital Projects Fund	CP	92,958,069	92,958,069	76,950,366	16,007,703	17.2%
Sewer Revenue Bond Fund	SR	223,704,000	223,704,000	210,920,153	12,783,847	5.7%
Solid Waste Improvement Bond Fund	WB	15,350,000	15,350,000	10,994,792	4,355,208	28.4%
Total		332,012,069	332,012,069	298,865,311	33,146,758	10.0%
Human Services						
Capital Projects Fund	CP	7,600,000	7,600,000	7,093	7,592,907	99.9%
Community Development Fund	CD	6,329,097	6,329,097	1,770,967	4,558,130	72.0%
Federal Grants Fund	FG	5,114,624	5,370,598	3,328,044	2,042,554	38.0%
Total		19,043,721	19,299,695	5,106,104	14,193,591	73.5%
Culture-Recreation						
Capital Projects Fund	CP	6,456,250	6,456,250	2,696,125	3,760,125	58.2%
General Improvement Bond Fund	GI	28,109,000	28,409,000	15,806,170	12,602,830	44.4%
Federal Grants Fund	FG	-	18,428	786	17,642	95.7%
Total		34,565,250	34,883,678	18,503,081	16,380,597	47.0%

Table IV-4 (continued)
Executive Capital Budget FY 2013
Summary of Results by Function and Fund

		Approp.	Adjusted Approp.	Expended/ Encumbered	Lapsed	Percent Lapsed
Utilities or Other Enterprises						
Capital Projects Fund	CP	750,000	750,000	548,302	201,698	26.9%
Federal Grants Fund	FG	19,766,000	31,766,000	27,998,654	3,767,346	11.9%
Highway Improvement Bond Fund	HI	10,358,000	10,358,000	8,667,206	1,690,794	16.3%
Total		30,874,000	42,874,000	37,214,162	5,659,838	13.2%
All Functions						
Capital Projects Fund	CP	124,348,319	124,348,319	91,081,189	33,267,130	26.8%
Community Development Fund	CD	7,954,097	7,954,097	3,386,483	4,567,614	57.4%
Federal Grants Fund	FG	41,471,624	55,505,321	36,139,295	19,366,026	34.9%
General Improvement Bond Fund	GI	62,255,000	62,255,000	46,157,539	16,097,461	25.9%
Highway Improvement Bond Fund	HI	135,953,000	135,953,000	129,265,977	6,687,023	4.9%
Sewer Revenue Improvement Bond Fund	SR	223,704,000	223,704,000	210,920,153	12,783,847	5.7%
Solid Waste Improvement Bond Fund	WB	24,306,000	24,306,000	16,748,205	7,557,795	31.1%
Utilities Share	UT	100,000	100,000	42,072	57,928	57.9%
Grand Total		620,092,040	634,125,737	533,740,913	100,384,824	15.8%

V. Appendix: Data Sources

Chapter II

- Figure A-1. Executive Branch Overtime Expenditures. Overtime Expenditures Totals, Department Chapters, Service Efforts & Accomplishments Report, Office of the City Auditor. Line-Item Details, Operating Budget, Department of Budget and Fiscal Services. United States Bureau of Labor Statistics.
- Figure A-2. Executive Branch Overtime Expenditures. Overtime Expenditures Totals, Department Chapters, Service Efforts & Accomplishments Report, Office of the City Auditor. Line-Item Details, Operating Budget, Department of Budget and Fiscal Services.
- Figure A-3. Executive Operating Budget Ordinance. 99-PQ, Operating Funds, BFS Director's Report For the Fiscal Year Ended June 30, 2014. 99-PQ, Operating Funds, BFS Director's Quarterly Report For the 6 Months Ending December 31, 2014.
- Figure B-1. Total Spending Per Person by County. Statement of Activities, Comprehensive Annual Financial Report, City and County of Honolulu, Maui County, Hawaii County, Kauai County. Resident Population: Hawaii Data Book (prior and current year-projected).
- Figure B-2. City Revenues vs. Personal Income. Revenues: Budget Summaries, Executive Program and Budget; Income: Hawaii Data Book and Department of Business, Economic Development, and Tourism (latest projection).
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- Figure C-2. Annual Change in Net Assets by County. Management's Discussion and Analysis, Changes in Net Assets, Comprehensive Annual Financial Report, City and County of Honolulu, Maui County, Hawaii County, Kauai County.

- Figure C-3. Annual Change in Enterprise Fund Net Assets. Proprietary Funds, Statement of Net Assets, Comprehensive Annual Financial Report, City and County of Honolulu.
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- Figure D-2. Annual Change in Authorized Debt. Computation of Legal Debt Margin, Executive Program and Budget, City and County of Honolulu.
- Figure D-3. Compliance with General Obligation Debt Service Policy. Policy Resolutions 96-26 through 06-222 and Executive Program and Budget, City and County of Honolulu, Budget Summaries, Debt Service and General Fund Detailed Statement of Revenues. Only sewer, solid waste, and housing debt service are excluded. Departmental Communication 101, 2012.
- Figure D-4. Future Debt Service As Percent of Operating Revenues. Policy Resolutions 96-26 through 06-222 and FY 2015 Executive Program and Budget, City and County of Honolulu, Strategic Planning Six Year Projection by Function, of Resources.
- Figure D-5. General Bonded Debt Per Person by County. Computation of Legal Debt Margin, Comprehensive Annual Financial Report and Executive Program and Budget, City and County of Honolulu; CAFR for Maui, Hawaii, Kauai counties; Resident Population: Hawaii Data Book.
- Figure E-1. Largest Exemption Classes. City and County of Honolulu Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii.
- Figure E-2. Real Property Taxes By Tax Class. City and County of Honolulu Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii.
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- Figure E-5. Average Tax Bills For Business Properties. Taxes From Real Property By Tax Class. City and County of Honolulu Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii.
- Figure E-6. Average Residential Property Tax Bills by County. City and County of Honolulu, Maui County, Hawaii County, Kauai County Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii. Pre-2009 figures for Honolulu residential class computed using weighted average of Improved Residential and Apartment tax bills.
- Figure E-7. Average Hotel and Commercial Property Tax Bills by County. City and County of Honolulu, Maui County, Hawaii County, Kauai County Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii.
- Figure F-1. General Fund Unreserved Balances. General Fund Schedule of Revenues, Expenditures and changes in Fund Balance, Budget vs. Actual, Comprehensive Annual Financial Report, City and County of Honolulu and Executive Program and Budget, City and County of Honolulu.
- Figure F-2. General Fund Unreserved Balances by County. General Fund Schedule of

Revenues, Expenditures and changes in Fund Balance, Budget vs. Actual, Comprehensive Annual Financial Report, City and County of Honolulu, Maui County, Hawaii County, Kauai County.

Figure F-3. Variances in Real Property Tax Revenues. General Fund Detailed Statement of Revenue, Executive Program and Budget, City and County of Honolulu (as may be amended by operating budget ordinance), budget vs. actual.

Chapter III

Section A1. General Fund Overview. General Fund, Schedule of Revenues, Expenditures, and Changes in Fund Balance; General Fund, Schedule of Revenues, Budget and Actual; and General Fund, Budgetary Comparison Schedule; both from Comprehensive Annual Financial Report, City and County of Honolulu. Detailed Statement of Revenues, Executive Program and Budget. Amendment to General Fund Detailed Statement of Revenues, executive operating budget ordinance. GL5, City and County of Honolulu Enterprise Resource Planning System.

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Table III-4. Legislative Budget. Legislative budget ordinance, 99-PA, 99-PQ, City and County of Honolulu Enterprise Resource Planning System.

Table III-5. Executive and Legislative Budget Summary of Results by Fund. Executive operating and legislative budget ordinances, 99-PA, City and County of Honolulu Enterprise Resource Planning System.

Table III-6. Major General Fund Revenue Assumptions. GL5, City and County of Honolulu Enterprise Resource Planning System.

Chapter IV

Table IV-1. Major Project Lapses. Excerpts from Table IV-3.

Table IV-2. Major Project Adjustments. Excerpts from Table IV-3; Executive Capital Budget Ordinance.

Table IV-3. Executive Capital Budget. 99-PA, CIP Prior, City and County of Honolulu Enterprise Resource Planning System; Executive Capital Budget Ordinance.

Table IV-4. Executive Capital Budget. Summary of Results by Function and Fund. 99-PA, CIP Prior, City and County of Honolulu Enterprise Resource Planning System.